[LB120 LB578]

The Committee on Health and Human Services met at 1:30 p.m. on Wednesday, March 15, 2017, in Room 1510 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB578 and LB120. Senators present: Merv Riepe, Chairperson; Steve Erdman, Vice Chairperson; Sue Crawford; Sara Howard; Mark Kolterman; Lou Ann Linehan; and Matt Williams. Senators absent: None.

SENATOR RIEPE: We're going to do this a little bit different today. I'm going to go through some of the what I call the rules of engagement. We'll...this is the Health and Human Services Committee. As they say on an airplane, if that's not the flight you expect to be on, then you might be in the wrong room. But we welcome your participation. This is your opportunity to participate in the Nebraska legislative process, the way that legislation and laws get made in the state of Nebraska. I'm going to wait until we have some of our additional senators. I was just told that some of them are in other meetings and they'll be coming here shortly. So, you know, I happen to...I'm Merv Riepe. I serve Legislative District 12. I happen to serve as Chairman of the Health and Human Services Committee. The committee will take up the order of...in which the bills are posted. We have two for today. The committee members will come and go and some of them will have other bills to introduce or they'll be testifying at other meetings. You'll also see them at times, some with working on their computers, so we work on...I think we're in that transition between computers and paper. Some of us still work papers and some work computers and so you'll see that. The rules of engagement, if you will, for the day is, first of all, we'd ask you to please silent your cell phones or to shut them off. We'd ask you, if there are seats available in the front row and you're going to testify during your opportunity, we'd ask you to move forward there. The intent there is to try to move the process along. The order of the process is this. The senator who is introducing the bill will introduce. That senator will not have a light and they're allowed the amount of time that they want to, to introduce their bill. Following that introduction, we then go to proponents and with...and then we go, following that, we go to opponents, then we go to any that have a neutral testifying position. We will also ask Tyler, our clerk here, to read any letters that we have, and those get read into the record. Testifiers, when you're coming up, we ask you to sign in with an orange sheet so that we know who you are. And if you have any handouts, we request ten copies of that so that we can get them around to all the committee members. The...we would ask you, when you do come up and take the seat of comfort there, that you...we will ask you to please spell out your name and to state your name so that we have that correctly. And if you don't, I'll probably ask you to please give us your name and spell it out. We're also asking you to be concise. For those that are coming forward to either as proponents, opponents, or in the neutral capacity, we work on a five-minute light system similar to traffic lights here. We start out with four minutes on the green. We go to one minute on the amber. We go to the red. The red we would ask you to try to pull your final thoughts together to conclude. It doesn't mean you have to...that we shut the mike off at that second. And you may

have the opportunity. If someone asks you a question, then you'll get to go further maybe in your...what your discussion was. If the light goes on and you continue on, I will try to be generous but at some point in time I might say, excuse me but the...can you wrap this up, or whatever. And if we think it's germane to the subject or, quite frankly, if you come from the western part of the state, we're a little biased here in the western part of the state. So we have one gentleman here from California. That's kind of western Nebraska in some ways. So we try to be as accommodating so that we give a full and fair hearing. If you will not be testifying at the microphone but want to go on record as having a position on a bill being heard today, there's...names and other pertinent information may be left on the white sheets that are at the entrance of each side and those sign-in sheets will become exhibits in the permanent records at today's hearing. We will now wait and see if we get...until we get a group that we can go on. A couple are at hearings. So I'd also, while I have a second, I want to introduce our wonderful pages. We have Brianne Hellstrom, who is from Simi Valley, California, and came back to the University of Nebraska to get a real education (laughter). And we also have Mr. Jordan Snader who is here from the great town of Oakland, Nebraska. And so they're both students at the University of Nebraska here in Lincoln. There's not a lot more we can do until we do get a full quorum and we need one more,...

SENATOR KOLTERMAN: One more.

SENATOR RIEPE: ...one more. Having been in the Navy, I'm impressed when I sit here and look out at all these gold stripes. You know, the captains in the Navy wear the four gold stripes, and so it was with great respect that I made the (inaudible) long wide hallway for when the stars and stripes came through. I was an unenlisted guy so there you go. That's been a couple years ago and that was in California, so. Senator, would you like to sing the national anthem (laughter) or is that not part of your presentation? Okay. I guess that one didn't go well. We now have a quorum so we will begin. I will ask the senators and also the staff to introduce themselves so that you know who we all are. Senator, down here. We will have some other senators joining us, but we're going to get going.

SENATOR KOLTERMAN: Senator Mark Kolterman from the 24th District: Seward, York, and Polk Counties.

SENATOR ERDMAN: Steve Erdman, District 47, ten counties in the Nebraska Panhandle.

KRISTEN STIFFLER: Kristen Stiffler, legal counsel.

SENATOR WILLIAMS: Matt Williams, District 36: Dawson, Custer, and the north parts of Buffalo County.

TYLER MAHOOD: Tyler Mahood, committee clerk.

SENATOR RIEPE: And I've already introduced our wonderful pages and so with that we would like to get started. And, Senator McDonnell, we are very appreciative of you being here and we invite you to open on LB578. [LB578]

SENATOR McDONNELL: (Exhibits 1-3) Thank you, Senator Riepe and members of the Health and Human Services Committee. My name is Mike McDonnell, M-i-k-e M-c-D-o-n-n-e-l-l. I'm the representative for LD5, south Omaha. I'd like to thank everybody who is going to be here to testify today. Everyone should have received a list, all the people that have dedicated a number of years of their life of serving the citizens of the great state of Nebraska. And I appreciate all the time and effort they've put into LB578 to help us prepare. Also, Kate and Evan from my staff have worked extremely hard on this. I'd like to thank them also. My intent by introducing this bill to committee is simple: to provide additional funding for first responders in our state. It was an honor and privilege to serve 24 years with the Omaha Fire Department, the last six years as the Omaha Fire Chief. I've experienced all aspects of providing advanced lifesaving services. I understand the impact and the need to the citizens but I also understand the realities of the cost to providing those lifesaving services. Most of our fire departments across the state are financially strapped and constantly in need of additional funding to help protect our Nebraska communities. We have learned of a program that other states have implemented that provides for a higher reimbursement rate for Medicaid patients during emergency ground transfer by a public or a nonprofit ambulance. The reason for this high reimbursement rate from CMS is that the definitive medical care is being provided in ambulances, in many cases saving lives and in most cases improving the recovery time and medical outcomes. This program would be an acknowledgment of that medical care occurring in emergency transfers. You will hear from those testifying after me that when someone calls 911, the first responders have no option to ask about their ability to pay or their insurance, and rightfully so. They simply send out emergency vehicles to the site as soon as possible. However, there are too many times where these emergency transfers go unpaid and the cost falls back on the taxpayer. Oftentimes the local fire department is forced to make up the cost elsewhere. Again, this bill helps to fund those lifesaving services. Logistically, this legislation directs the Department of Health and Human Services to apply for a state plan amendment to CMS that allows the state to accept the higher reimbursement rate. The local entities will have to put up an initial investment through agreements with their managed care organization that will be reimbursed by the federal government with the reimbursement flowing back through the State DHHS. Based on experience from other states, the state is able to capture up to 20 percent of that reimbursement for administrative cost. DHHS sends the remaining funds to the managed care organizations who distribute the money to the local entities which increases the funding for the public and nonprofit fire departments and emergency medical services. I want to address a few questions that have been raised as I have spoken with many of you. Can the state do this without legislation? The

state could apply for this state plan amendment administratively. But based on experience from other states, it has been more effective and efficient to have guiding legislation introduced. Representatives from the Nebraska fire agencies have met multiple times with representatives from the Department of Health and Human Services to discuss the legislation and changes occurring at the federal level. Those have been productive conversations but legislation seemed to be the most appropriate route. Have other states had positive experiences with this? Yes. Eleven states have implemented this program: California, Oregon, Washington, Nevada, Texas, Louisiana, Indiana, Massachusetts, North Carolina, Florida, and Missouri. I believe that a few stakeholders from those states have provided neutral letters to further discuss their state's experience. Nine states--Alaska, Idaho, Iowa, Kansas, Minnesota, Ohio, Oklahoma, Wisconsin, and Wyoming--are currently pursuing similar programs. Many are in legislative process concurrent with Nebraska. My current fiscal note reflects the fiscal impact from the introduced legislation which, with the change in the administration and changes with the Centers for Medicaid and Medicare Services, CMS, the current language is not in alignment with the federal regulations. I would like to note that the introduced legislation was a complement...complemented the federal regulations and CMS was incompliant with the federal regulations and CMS prior to the change in the administration on January 20. However, when Calder Lynch in the Department of Health and Human Services notified my office of this change, Chief Despain and I with them...immediately tried to work with them to generate language that aligns the CMS. I have brought an amendment to introduce to the committee as an exhibit along with the updated one-pager that reflects the changes in the amendment. The amendment corrects the language and ensures the legislation will comply with the federal regulation. Can I please hand this out now? Thank you. The amendment also adds a definition section to the bill, as well as clarifies the language necessary to comply with the new CMS directives. The experts that will be testifying will be able to provide further explanation for the technical changes that were made with our amendment. He has worked with a number of states to successfully implement ground emergency medical transport legislation. I do want to acknowledge that we are working with Senator Howard on additional language changes to ensure compliance, and I want to thank her on helping me with those changes. Does this come from the Affordable Care Act? No. This program comes from the Social Security Act of 1965 with similar EMS transport provisions that can be traced back 20 years within the state of Minnesota. In closing, I want to reiterate I am trying to help the first responders with funding. I recognize the fiscal restraints our state faces this year. This program will help local departments fill a funding discrepancy without dipping into the state's General Fund. In fact, the program would assist by actually providing additional revenue to the state. This is very important to me and I will do everything I can to work with the committee to advance LB578. I want to thank the committee for their time and consideration of this bill, as well as Calder Lynch and the Department of Health and Human Services with their quick response and input on this bill. I'd be happy to try to answer any of the committee's questions at this time. [LB578]

SENATOR RIEPE: Thank you. Thank you very much. Senator Williams. [LB578]

SENATOR WILLIAMS: Thank you, Chairman Riepe, and thank you, Senator McDonnell. One quick question, I just wanted to be sure your comments that you were making about the amendment, it still has no fiscal note, is that correct? [LB578]

SENATOR McDONNELL: That is...that's correct. [LB578]

SENATOR WILLIAMS: Thank you. [LB578]

SENATOR RIEPE: A question that I had, Senator, was, is this a county-by-county, within the state, opportunity to participate? [LB578]

SENATOR McDONNELL: If we do this, no one has to participate. It gives the opportunity to any department or medical service to participate, but no one has to participate in this program. [LB578]

SENATOR RIEPE: Okay. I guess it's unreasonable to ask you the stability of federal funding for the program so I'll pass on that. [LB578]

SENATOR McDONNELL: I think we'd all like to know that answer. [LB578]

SENATOR RIEPE: Yeah--steady for the day. We've just had two senators join us, Senator Sara Howard and Senator Sue Crawford. Okay, are there are additional questions of the senator? If not, thank you very much. Will you be here for closing? [LB578]

SENATOR McDONNELL: Yes. [LB578]

SENATOR RIEPE: So they get another chance at you. [LB578]

SENATOR McDONNELL: Yes, definitely. [LB578]

SENATOR RIEPE: That's good. Okay. We'd like to now go to proponents, those speaking in favor of the legislation. Welcome. [LB578]

MICHEAL DESPAIN: Good afternoon. [LB578]

SENATOR RIEPE: If you'd just state your name, spell it,... [LB578]

MICHEAL DESPAIN: Absolutely. [LB578]

SENATOR RIEPE: ...the mike is all yours. [LB578]

MICHEAL DESPAIN: Good afternoon. Good afternoon, Senator Riepe and members of the Health and Human Services Committee. For the record, my name is Micheal Despain, M-i-c-h-e-a-l D-e-s-p-a-i-n. I'm the fire chief for the city of Lincoln and today I'm speaking in support of LB578 and on behalf both of the city of Lincoln and a wide array of fire agencies throughout the state. I have over 32 years of experience in fire and EMS service, including some experience with the impacts of GEM-type programs in other states. Today I'll try to provide some insight into the growing crisis within the emergency medical field and how LB578 could provide some relief for first responders statewide. The main issue is the cost for providing service. As an example, the average cost of running an ambulance call in the city of Lincoln, the true cost is about $500. However, for certain patients that are covered by the federal government, we only get about $170. This drastic underpayment creates a need to actually charge other payers excess of $1,000. And before you think that sounds unfair, that is how the hospitals work, that's how your doctor works, that's how healthcare works in the United States. Unfortunately for EMS, it continues to get worse because of the requirements we have to provide service. So that spread between the actual cost to provide service and the reimbursement rate by the federal government continues to grow wider every year. This issue is not exclusive to the city of Lincoln. This phenomena is common throughout the state of Nebraska and the nation for other EMS providers, too, as some of my partners will come and testify to. LB578 would help close this gap. It will not close it completely, as it would only be eligible for about 50 percent of whatever that gap is. So we still do not get the federal government to pay its fair share, but we get them to pay closer to fair share. Definitive care is a term used in the medical field to describe medical care that makes a difference in terms of patient outcomes. Outcomes might be measured in percentage of patients that survive a medical emergency or how much treatment they need while they're in the hospital, how long their hospital stay is, how much help they need after they're released. The medical industry has come to realize the value initial EMS treatment and transport has on definitive care. Properly deploying your ambulances and medical personnel has a both direct and indirect cost on the medical system. Proper EMS deployment means that the chances of surviving a sudden medical emergency increases, and the amount of medical intervention through the hospital and that subsequent downstream care will likely be lower. Improper EMS deployment, typically due to funding shortages, means lower chances of surviving a sudden medical emergency and more intense and expensive intervention through the hospitals and downstream care. As an example of indirect cost, in 2015, the National Academy of Sciences published a report titled "Strategies to Improve Cardiac (Arrest) Survival: A Time to Act." In that report, some of the findings took the cost comparison between a patient that suffers an out-of-hospital cardiac arrest yet survives with

good neurological function to a patient that survives but has poor neurological function due to lack of oxygen to the brain, typically due to poor response times or poor performance within the system. The cost of treatment for the first example was about $40,000. These are 2009 dollars but the report just came out in 2015. But the difference of the first patient at $40,000 and they're out, back into the community, providing service, paying their taxes, whatever their function was before, versus the one that we saved but had significant neurological deficit, they're now charged $102,000 a year every year as they probably reside in skilled nursing for many years. So this is example of one of the fundamental reasons why we see cooperation from the federal government on programs such as GEMT and community paramedicine. They see that sometimes federal reimbursement for first responders can save federal funding downstream. So I don't think they're doing it for the love of first responders. I think they see it as a business model. In summary, for the city of Lincoln and territory around it that it serves by...that is serviced by Lincoln Fire and Rescue, LB578 means the difference between service levels dropping or service levels being maintained. It also means the difference between local taxpayers continuing to prop up the declining reimbursement from the federal government or providing some relief to local taxpayers for the next few years. LB578 in its simplest form is a means by which we can get the federal government to pay more of its fair share. So I...presentation. Any questions? [LB578]

SENATOR RIEPE: Thank you very much. We'll see here. Are there...Senator Howard. [LB578]

SENATOR HOWARD: Thank you, Senator Riepe. Thank you for visiting with us, Fire Chief. [LB578]

MICHEAL DESPAIN: Thank you. [LB578]

SENATOR HOWARD: I wanted to...and I apologize to Senator McDonnell that I was not here for his opening. I believe it was probably wonderful. But I did have some questions that I wanted to get into the record so that we can start working on them. [LB578]

MICHEAL DESPAIN: Okay. I'll do my best. [LB578]

SENATOR HOWARD: And they're based on language in the green copy and the amendment. [LB578]

MICHEAL DESPAIN: Okay. [LB578]

SENATOR HOWARD: And so in the green copy, on page 2, line 12 and 13, mostly line 13, the provider "is eligible...during a fiscal year," can you clarify the intention of which fiscal year, state, county, or the city? [LB578]

MICHEAL DESPAIN: Right. So I have...Scott Clough is one of the experts in this area. He's going to testify neutral because he's not taking a position, but he's the technical expert between just questions as to language and how the program works. But the discussions we had were that in some states they leave that a little neutral, so HHS can decide what works better, federal or state or something in between. That's why it was a little vague. If, based on recommendations from yourself and HHS, they want to see a state one, we will put that language in there, so it's not a problem. A lot of times, some of the technical aspects go in the state plan amendment. They leave the enabling legislation just a little vague so you negotiate those within the plan, and it really doesn't matter to us. [LB578]

SENATOR HOWARD: And you've decided that you're going to do a state plan amendment, not a waiver, for this? [LB578]

MICHEAL DESPAIN: Yes. [LB578]

SENATOR HOWARD: Okay. Perfect. The other one that I had was on page 6, line 11, where they speak to the cap payments on a retroactive basis, and I just wanted to get a feel for what you meant for the...how far back for the retroactive payments. [LB578]

MICHEAL DESPAIN: So I'm going to leave that to Scott to give the official notice to that when he comes up. [LB578]

SENATOR HOWARD: So he's got a preview. [LB578]

MICHEAL DESPAIN: Yes. [LB578]

SENATOR HOWARD: Okay. [LB578]

MICHEAL DESPAIN: Typically what we see is, from the time the legislation is enacted, the clock starts and then you work forward. It may take us a year to do a state plan amendment, and then we can go back to the date that it was formally adopted for what we would call retroactive pay, but I'll have Scott confirm that when he comes up. [LB578]

SENATOR HOWARD: Okay. Thank you. It's nice to see you again. [LB578]

MICHEAL DESPAIN: Um-hum. Thank you. Thank you for your time. [LB578]

SENATOR RIEPE: Are there additional questions from the committee? Seeing none, thank you very much. [LB578]

MICHEAL DESPAIN: Thank you. Thank you for your time. [LB578]

BILL BOWES: (Exhibit 4) Good afternoon. My name is Bill Bowes, B-i-l-l B-o-w-e-s. I am the fire chief in Papillion and La Vista. I'm here representing the Nebraska Municipal Fire Chief's Association which is a group of chief officers from across the state that have departments that have paid or career members, so everywhere from Omaha to Scottsbluff and up and down from there. It is our position we are in favor of this bill because it will provide us additional revenues that we can use to better our fire and EMS protection for the citizens that we serve. To give you an example of the rough numbers that we're looking at, in Papillion we would probably expect to gain about $44,000 a year, Norfolk is in the neighborhood of $50,000, Beatrice probably around $60,000 a year, which I understand in the general scope, big scope of things, those aren't large amounts of money. But to smaller departments, such as ours, they really are. If we look on the emergency medical side of things, a cardiac monitor costs in the neighborhood of $25,000 to $30,000--difficult to budget for that in a single year. If we don't have a capital improvement program we can draw that from or a bond issue we're dealing with, trying to get that chunk of money out of the budget is very difficult. But these additional revenues that we would get because of the GEMT bill would be very beneficial to us. So really that's what I wanted to share with you that the importance of those revenues assisting us in doing our job will be very important to us. [LB578]

SENATOR RIEPE: Okay. Thank you very much. We'll see if there are questions. Senator Crawford. [LB578]

SENATOR CRAWFORD: Thank you for visiting with us and I appreciate your service both to Papillion and Sarpy County and to the state through this association. So if I understand the bill correctly, one of the mechanisms of the bill is that the nonfederal match is provided in part by the participating municipalities who are involved. So is this something that you've discussed with the city of Papillion and the cities have also discussed their role in funding this program? [LB578]

BILL BOWES: We have in pretty general terms. Right now we haven't gotten down to specifics. In general terms, we're all in agreement with it. And then as Chief Despain said, when the time comes, each community will have the option whether or not to participate in it, depending on what it might look like for them. [LB578]

SENATOR CRAWFORD: Excellent. Thank you. [LB578]

SENATOR RIEPE: Is there any advantage for voluntary EMS units? [LB578]

BILL BOWES: As long as they are publicly funded, is my understanding. [LB578]

SENATOR RIEPE: Okay. Regardless of the level of public funding but if they have some public funding? [LB578]

BILL BOWES: I would probably refer that to Scott as a technical question but... [LB578]

SENATOR RIEPE: Okay. Okay. Are there other questions from the committee members? Seeing none, thank you for being here. [LB578]

BILL BOWES: Thank you. [LB578]

SENATOR RIEPE: Tell Mayor Black hi. [LB578]

BILL BOWES: I sure will. [LB578]

SENATOR RIEPE: Okay. Thank you. [LB578]

MICHEAL DWYER: Good afternoon, Chairman Riepe and members of the Health and Human Services Committee. My name is Micheal Dwyer, M-i-c-h-e-a-l D-w-y-e-r, and I'm a 34-year member of the Arlington Volunteer Fire and Rescue Service, as well as the secretary/treasurer of the Nebraska State Volunteer Firefighters Association, and here today to testify in support of LB578. I'll try to be brief and defer some of the technical comments to two of my colleagues that will come up and actually do billing for volunteer service. But I, in the big picture, want to make sure that the committee understands that this is an important issue for volunteer services across the state of Nebraska. As we learned last year during the process of passing LB886, funding issues continue in rural Nebraska and this is a piece of being able to help with that funding. We have the same challenges with funding that Chief Despain spoke to, except in a much...with a

much smaller margin of error, if you will. We're expecting a new squad and it will be well north of $200,000; a pair of EpiPens is $700. And in a small...he mentioned that a defibrillator monitor is $25,000 and in a small service with very, very small budgets and in some cases no public funding, it's difficult for us to continue to move the pieces around to be able to provide all of those services. Perhaps the other pieces that this will continue to help with, in addition to the funding that we got as part of LB886 last year, is recruiting and retention. We're seeing somewhat of a metamorphosis, if you will, in the way that we recruit, retain, and encourage volunteers to respond, particularly in rural Nebraska, and any funding that we can use to encourage that certainly helps all of those departments in rural Nebraska that are, in some cases, struggling. With that, I will end my testimony and would be happy to answer any questions. [LB578]

SENATOR RIEPE: Okay. We like happy testifiers. [LB578]

MICHEAL DWYER: Happy is good. [LB578]

SENATOR RIEPE: Are there any questions from the committee? Seeing none, thank you very much, sir. [LB578]

MICHEAL DWYER: Thank you. [LB578]

SENATOR RIEPE: More proponents. [LB578]

RHONDA MEYER: Good afternoon, Senator Riepe and Health and Human Services Committee. My name is Rhonda L. Meyer, R-h-o-n-d-a L. M-e-y-e-r. I am a volunteer with Blair Volunteer Fire and Rescue. I am a paramedic on that service and I was previously the EMS chief for that service. I also am the EMS committee chair for the Nebraska State Volunteer Firefighters Association and do support them within our organizational commitments throughout our state. As I work at the volunteer services, there are many concerns that we have regarding finances and reimbursement, especially with some of our smaller communities that have very limited resources to them. We need that, those finances, in order to maintain proficiencies within our departments and maintain those skills. And the EMT cost of an EMT course is a little over $1,200 per student, which takes a lot of man-hour and volunteer time for that individual to complete that. And then after completing that EMT course, they are also required to maintain a minimum of 24 hours of education in the two years to maintain that certification. A lot of these smaller communities have limited resources to them, they have outdated equipment, and these additional resources will help to support that outdated equipment that they have, an example being my son, chief of the neighboring department. They have a 2002 rescue squad. They don't have the volume of calls but still you have the maintenance of that equipment. We are required

by the licensure of the state of Nebraska to maintain a limited amount of equipment, and it is a very large list of that equipment which does outdate also and require replacement. As Mr. Dwyer had stated, to replace EpiPens that expire, it would cost us $700 for an EpiPen which is mandated to be carried on our services and units; to replace a suction machine, $900 to $1,000. There are manual ones but to have the battery powered, as they mentioned previously, the quality of care that we provide in the prehospital setting is going to impact the outcome of that patient and the expenses as we look into the future of those patients. These skills, like I said, take time and take energy and take money, and we aren't looking at maintaining that because we don't know how the government dollars will maintain over the years. But if we can build up those skills now, get the members of volunteer services trained to be EMTs and build on those skills, advance that equipment that we have at this time, that will promote us with our services that we have. Currently with small amounts of numbers for some departments, my department within itself continues to see a growth of our calls that we have. We have elderly population because of our great healthcare system that we have and, because of that, we do see more populations that have less financial abilities are falling onto the Medicare/Medicaid system. And we have nursing home facilities within our communities also and the more frequently that they're seen, the most cost and expensive that they are to us. I went from, of a rescue squad, fire calls last year of 836 to 869 in 2016. So that was a jump of almost 50 additional calls for our service. For last year, we had 629 EMS calls; only 483 of those calls could we bill for. Because we are called out, we provide this service. You don't ask their ability to pay. You provide the service. They may refuse that. It may be a car accident where you're providing that care and emergency support for that individual, so that does take time and resources also, and maintaining those skills. Of that, less than 10 percent of them were Medicaid billed, so, I mean, it's not a large volume of them, but every amount counts in that situation. We are dependent upon government dollars that come to us, the payment from these resources of the insurance and the noninsured, and then our Medicaid and Medicare populations. But to supplement that, we have to hold fund-raisers. Donations from the community, they help support us. And we all know that everybody is getting stretched further and further, so that impacts us also. So if there's at any point that we can get additional resources, that would be very helpful to us within our organizations. So once again, it's very needed service within our state, within our communities. We volunteer our time, we volunteer our services, but if there's any financial abilities that we can get from this, it's very helpful for us to continue to thrive in our organization that is much needed within our state. Thank you. [LB578]

SENATOR RIEPE: Thank you very much. Are there questions from the committee? Now do you serve more than just...is it Dodge County? [LB578]

RHONDA MEYER: I am in Washington County, Blair, Nebraska. [LB578]

SENATOR RIEPE: Oh, Washington, okay. Do you serve other counties other than Washington? [LB578]

RHONDA MEYER: So as far as that goes, no, I'm just in Washington County on the volunteer service there. I do help with some teaching and education for some other area agencies and then we are in our mutual aid agreements, which is a tri-mutual aid agreement, to where we can be called for services within those areas but it's...our numbers of calls are basically within our Washington County arena. [LB578]

SENATOR RIEPE: Okay. Thank you. Senator Crawford. [LB578]

SENATOR CRAWFORD: Thank you, Chairman Riepe. And thank you for being here. Thank you for your service to your community. If you have a call and you go to someone's home and you stabilize that situation and then so you're not transporting them, are you able to get reimbursed for any of your services if you don't end up transporting that patient? [LB578]

RHONDA MEYER: There are some services that you can be reimbursed for. It all depends on the payer source that is there. And so like if a patient has a diabetic reaction and they are having low blood sugar, we can go in, we can treat them, check their blood sugars, depending on the scope of the service. If it's paramedic, they can provide the IV dextrose and glucose for that patient. And then the patient can refuse treatment. And so they aren't going into the hospital setting, which is saving dollars there, but it's also taking that time and expenses, as I had mentioned, $500 just to go out for the call and for restocking and the services to maintain that. [LB578]

SENATOR CRAWFORD: So is it your understanding that this bill helps to cover the services you provide in those kinds of situations where you're providing care to the person in their home when... [LB578]

RHONDA MEYER: Correct. And so as they are also looking forward to moving to the paramedicine, those are some of the services that could be billed for. And depending on the payer source, it impacts the amount of reimbursement that you get. [LB578]

SENATOR CRAWFORD: Great. Thank you. [LB578]

SENATOR RIEPE: In your provision of service, do you take patients to the closest location--like from Blair, it might be Methodist as opposed to CHI--or do you take them where family might request? [LB578]

RHONDA MEYER: So with our service, we actually have a hospital within our, a C...a critical access hospital within the Blair community, so 98 percent of the patients go to that facility. We

can take them to a facility of request where it's a transportation call, or we may be called for an emergency transport where we have assisted LifeNet, because they can't fly, to take that patient in that location. We will also transport to the trauma center. So if it is a trauma call--Blair is a Level III trauma center--we will take to the Level I trauma center in Omaha because of the medical nature of what's going on and the patient needs. [LB578]

SENATOR RIEPE: And because of the distance, the charge is higher. [LB578]

RHONDA MEYER: You can charge per mile, correct, so the charge is higher. As far as the service, there are different levels for the service, whether it's a basic service or an advanced service, for the care that's provided. If you do not have any paramedics on the service, you can only charge for a basic service. And so your payment is less for that level of care even though it's shown that your basic service EMTs, you have better outcomes with your patients when they are cared for, those populations. [LB578]

SENATOR RIEPE: Sure. Okay. Any other questions? Seeing none, thank you very much. [LB578]

RHONDA MEYER: Thank you. [LB578]

SENATOR RIEPE: More proponents, please. [LB578]

ANDREW SNODGRASS: My name is Andrew Snodgrass, A-n-d-r-e-w, Snodgrass, S-n-o-d-g-r-a-s-s. I'm the paramedic manager and assistant chief of EMS for Nebraska City Fire and Rescue. I'd like to first thank you for this opportunity to testify at today's hearing. I'm speaking in favor of LB578. In my department, as in many departments, we are in a financial crisis. And we are at the point basically where we cannot cut any more out of the budget without sacrificing services or cutting budget items which would not be appropriate for the service, such as cutting fuel line items or supply line items which would not be necessary or appropriate for the patient. With the cost associated with capital equipment such as ambulance, patient care devices, cardiac monitors, pumps, disposable supplies, so on, along with costs for gear, training, staffing, we rely heavily on patient transport revenue. As you've heard from others today, Medicaid recipients are a significant percentage of our patient transport but yet Medicaid does not pay enough to cover the associated costs for caring for the patient. This places our service, EMS, in jeopardy. LB578 gives us the opportunity to be more fair to the average consumer. To help cover costs, we have had to do drastic...at my service, we have had to do drastic rate increases that basically only affect those that have commercial insurance, which is also our lowest percentage of patient transports. With the limited resources at our disposal for revenue, we have either...we can either raise transport rates, which is, again, primarily only affect commercial insurance holders, or we

can establish taxing levies, which can be extremely difficult to initiate and is not the most favorable option. Outside of these primary options, municipal departments have very few other opportunities for revenue. With successful passage of LB578, it will not stop the funding crisis of EMS departments like ours, but it will slow it. It could slow it to a possibly more manageable level for the intermittent time but not for the long term. It could also bring it to a more manageable level where transport rate increases could decrease and be more fair to the average consumer or those with commercial insurance, or it could bring it to a rate where taxing levies could be more palatable and be more favorable for others. For some services, this could be the difference between operating at a high efficiency, or it could be the opportunity...or for some service it could be at the point where they stay open or where they have to go under or sacrifice valuable patient services or patient care services...excuse me...be at the point where they have to cut patient care services who need us in emergency. As you've heard before, when someone calls 911, we don't get the opportunity to say no. We respond. We help them in their time of need, regardless of the payment opportunities. We worry about that later. But we are now at the point where we need to worry about it. We will still respond but at what level can we do it? Thank you. [LB578]

SENATOR RIEPE: Okay. Thank you. Senator Howard, please. [LB578]

SENATOR HOWARD: Thank you, Senator Riepe. Thank you for visiting with us today. Can you tell me what your payer mix is? [LB578]

ANDREW SNODGRASS: So our current payer mix, for 2016, we had 17 percent was...had commercial insurance. We ran just under 1,200 calls. And then the way I did my numbers, we have a combined payer mix of 57 percent of Medicare and Medicaid. I don't differentiate for revenue portions because that 57 percent, that's a contractual base. So regardless of what we bill them, we only get a set amount from the, respective, from Medicaid or from Medicare. [LB578]

SENATOR HOWARD: Okay. And the rest were uninsured? [LB578]

ANDREW SNODGRASS: So 9 percent were no transport; 8 percent had no insurance; and 8 percent of those runs we didn't transport--either there was no patient, we were canceled, what have you. [LB578]

SENATOR HOWARD: Okay. Thank you. [LB578]

SENATOR RIEPE: Do you think your numbers are similar to the numbers of (inaudible)? [LB578]

ANDREW SNODGRASS: I would venture to guess they'd be fairly similar. I'm in Nebraska City so we're a little bit more rural but I would guess they'd be fairly similar across the state. [LB578]

SENATOR RIEPE: Okay. Senator Kolterman. [LB578]

SENATOR KOLTERMAN: Thank you, Senator Riepe. Mr. Snodgrass, are you a volunteer department? [LB578]

ANDREW SNODGRASS: We are a combination. Our fire is all volunteer but our EMS is now fully paid. [LB578]

SENATOR KOLTERMAN: So your entire EMS, what's that in a city budget? What's that amount to in a city budget? [LB578]

ANDREW SNODGRASS: Our...my EMS budget with staffing and everything is just right over $500,000. [LB578]

SENATOR KOLTERMAN: And how many people do you run? [LB578]

ANDREW SNODGRASS: We have four full-time paid staff, myself included. That's four full-time paramedics. And then we staff so we have one full-time paramedic on every day and we have one part-time EMT every day. [LB578]

SENATOR KOLTERMAN: And do you...so do you have volunteer EMTs that work with you? [LB578]

ANDREW SNODGRASS: No, they're part time. They're paid. We don't have any... [LB578]

SENATOR KOLTERMAN: Oh, they're paid as well. [LB578]

ANDREW SNODGRASS: Yeah, they're paid as well. [LB578]

SENATOR KOLTERMAN: So you don't have any volunteer EMTs. [LB578]

ANDREW SNODGRASS: Correct. They're...that's correct. [LB578]

SENATOR KOLTERMAN: Okay. Thank you. [LB578]

ANDREW SNODGRASS: And then we cover 160 square miles of area in Otoe County. [LB578]

SENATOR KOLTERMAN: So you're the county. [LB578]

ANDREW SNODGRASS: Yeah. We cover all of Nebraska City and 160 square miles of rural area. [LB578]

SENATOR RIEPE: Senator Linehan has just joined us. She's from the district that represents Elkhorn and Valley and... [LB578]

SENATOR LINEHAN: And Waterloo. [LB578]

SENATOR RIEPE: ...and Waterloo, so she's got a big ranch up there. Are there any other questions from the committee? Seeing none, thank you so very much. [LB578]

ANDREW SNODGRASS: Thank you very much. [LB578]

DARREN GARREAN: Chairman Riepe and members of the committee, I appreciate the time. My name is Darren Garrean, first name D-a-r-r-e-n; last name is Garrean, G-a-r-r-e-a-n. I'm president of the Nebraska Professional Fire Fighters Association which represents approximately 1,500 firefighters, paramedics across the state of Nebraska from Scottsbluff to South Sioux City to Beatrice. I'd like to just kind of point something out: that all of the testifiers prior to me, including me and Senator McDonnell, have all taken an oath to protect and serve the community of Nebraska by providing EMS service, firefighting service, and that should resonate that the goal of this is to protect and serve the citizens of Nebraska. I think it's everybody's belief here that the end goal of this is to have some extra money maybe to get an extra EpiPen or to free up a line item that might be able to help service throughout any community in the state of Nebraska. It is our belief that by doing some of this it might free up, whether it's training opportunities, equipment, make an inherently dangerous job maybe less dangerous by doing so. With that, I'll be glad to answer any questions. [LB578]

SENATOR RIEPE: Okay. Are there questions? A year ago, EpiPens wouldn't have been mentioned as a primary expense, but they are this year. [LB578]

DARREN GARREAN: Correct. [LB578]

SENATOR RIEPE: We thank you very much for being here and testifying. [LB578]

DARREN GARREAN: Absolutely. [LB578]

SENATOR RIEPE: Additional proponents? [LB578]

LYNN REX: Senator Riepe, members of the committee, my name is Lynn Rex, L-y-n-n R-e-x, representing the League of Nebraska Municipalities. First of all, we'd like to thank Senator McDonnell for introducing this important bill. This bill, we think, will provide some parity because right now hospitals and others providing EMS transport are given this Medicaid reimbursement and we think this would be very important. And as noted, this is not part of a Medicaid expansion issue at all. This has nothing to do with that. This is part of the Social Security Act. And we do think that this is something that's going to be vital for cities and villages across the state of Nebraska. In 1996, the Legislature embarked on a process to try to reduce property taxes. In so doing, in 1996 the Legislature passed LB1114 which took the levy limit for second-class cities and villages, of which there are 117 cities of the second class--and obviously we're looking at like 380 villages in this state, at that time we had a few more--and the Legislature decided that they would reduce their levy limit from $1.05 per $100 of valuation to 45 cents plus 5 in two years. During that period of time, there was tremendous concern across the state about how any type of these very important public safety services would even be provided. And so we've had volunteer fire departments and EMT services, paramedic services across the state that have really suffered from that time forward, not just that service, others as well, but certainly on the public safety side, because in many instances, in most instances, they were volunteer departments. They had no place to really cut and the localities, the cities and villages, were doing what they could do to try to help them. But when they were suffering that kind of cut of over half of their entire budget, that was problematic in terms of the levy limit. With LB1114 in 1996, first-class cities, of which there are now 30 of them--at that time there were only 25--they were asked to cut from 87.5 cents per $100 of valuation to 45 cents plus 5. That had an impact as well, but not as much of an impact, because most of those cities had local-option sales tax. So what we're here to say to you is that this is an important piece of the puzzle in trying to assist firefighters and emergency rescue folks across the state of Nebraska. We think this is a very important thing that could be done and, frankly, we wished we would have done it sooner. So we appreciate Senator McDonnell introducing this bill so that this could be before you today to try to help provide an important piece. I think it's important to underscore the point that this will take no state dollars. This is not taking one dime from the state's General Fund. We know you have serious issues as well. Our cities continue cutting; our villages continue cutting; the state of Nebraska continues to cut. This has nothing to do with your budget. This will,

though, enable you to provide legislation so that they can enhance their budgets on the local level by an amount that will help offset the cost that they provide at a medical transport and Medicaid transport. With that, I'd be happy to respond to any questions that you might have. [LB578]

SENATOR RIEPE: Are there questions from the committee? Senator Kolterman. [LB578]

SENATOR KOLTERMAN: Thank you, Senator Riepe. Thank you, Lynn, for coming today and testifying. Could you talk a little bit about...and I appreciate the history you've given us because it is a challenge and it's even more so a challenge in rural Nebraska probably than in metropolitan areas, at least in recruiting and retaining volunteers and people that want to volunteer their time. And how are we going to...have you given any thought how we're going to fund this type of thing in the future, because cities and rural areas are pulling back on their funding. This will go a little ways towards helping but it's not the answer. [LB578]

LYNN REX: It's not the total answer but it's a very important piece of the answer, because this allows us also to get some of the federal funds, Senator, that we as Nebraskans pay into the federal government and allows us to get a little bit of that back. So I think that's important. But in terms of the long-term strategies, I think that it is an increasing issue in terms of retention, the number of municipalities that basically rely on volunteer services. And that's critically important, even for senators in Lincoln and Omaha and the metro area, because I know in some of the past legislation on which we've worked with the Volunteer Firefighters Association and others, many folks don't understand that once you leave the metro area, your chances are that you will be addressed and assisted by volunteers if you're on I-80 or any other highway outside of the metro area. It will predominantly be volunteers who will be assisting you. And we are concerned about the increasing number of hours. Everyone wants the best trained individuals. We always want that. But there is a breaking point where if you have the training hours so high, the people say, gosh, you know, we have our families, we have things to go to with our kids and our grandkids, we don't have time to continue dedicating that much additional personal time to this. So there's always that striking point, too, but I think that the issue of how these important services can be provided in the future may need to be some type of an interim study maybe by this committee partnering with Urban Affairs and some of the other important committees that address these issues. It's a critical issue for the state. [LB578]

SENATOR KOLTERMAN: Thank you. [LB578]

LYNN REX: Thank you. [LB578]

SENATOR RIEPE: Any other additional questions? Thank you, Ms. Rex. [LB578]

LYNN REX: Thank you very much. And thanks again to Senator McDonnell for introducing this. [LB578]

SENATOR RIEPE: Thank you for presenting. Are there additional proponents? Seeing none, are there any opponents, those in opposition? Seeing none, we'll go to any individuals that will testify in the neutral capacity. [LB578]

SCOTT CLOUGH: Thank you, Mr. Chair, committee. My name is Scott Clough, S-c-o-t-t C-l-o-u-g-h. I created the very first GEMT program, wrote the legislation in 2009 for California, got that passed and created really the nation's first GEMT comprehensive program. Since that time and since retiring from the fire service, I've been contacted by numerous fire departments from around the country to assist them with these types of programs. I have created programs in Washington, Oregon. I'm getting ready to introduce a SPA in Missouri in the next couple weeks; Kansas, Wyoming, and Alaska are all programs that I'm currently working on. I want to touch on a couple of quick things if I can and then I'll be happy to address any questions. I've listened to some of the comments and questions that have come up. So one thing I'd like to point out about this program is that while the reimbursement is tied to the transport component because that's where the reimbursement falls, this is a cost-based program. So let me just touch briefly on what that means. So as a cost-based program, these programs rely on both direct cost, which is the transport of the patient, indirect costs, which are administrative and overhead, and also shared cost. Why is that important? It's important because, as we heard from one of the individuals testifying, they talked about the cost of training an EMT at about $1,200. With these programs, if it benefits the transport of the patient, those are direct costs. So if this agency trains ten EMTs at $1,200 apiece, that's $12,000 that gets applied to the cost of providing that transport and you're going to be drawing in federal dollars to offset that cost. The same applies if you have an agency that buys a HURST tool or an extrication tool or they buy multiple tools. The only purpose of an extrication tool is to remove a person who is entrapped in something and that's a patient. And so if you spend $70,000 or $100,000 or $200,000 on extrication equipment, while it's not directly a transport benefit, it contributes to the transport of that patient. And so as a result, if you spend $100,000 on extrication equipment, you're going to be able to amortize that out over five years and you'll be able to get some of that cost back through your GEMT program. So this is a cost-based program based on federal requirements for how you calculate that cost. And so while there's been discussion about the cost of a transport being $500 or $600, the reality is that when you start adding in all of the direct cost, the indirect cost, and the shared cost, it's very common for the actual number that you're using to be $1,200 or $1,300. And so the reimbursement on that becomes quite substantial. So I just want to make sure that as we move forward, because it is a transportation program, a lot of what you've heard today can be benefited because those costs that they're incurring are transferred to this program and you can receive benefit through that federal draw down. And with that, I'd be happy to address any questions. [LB578]

SENATOR RIEPE: Okay. Senator Howard. [LB578]

SENATOR HOWARD: Thank you, Senator Riepe. And I think you knew that I had a lot of questions. So I wanted to ask you,... [LB578]

SCOTT CLOUGH: I was told two. [LB578]

SENATOR HOWARD: You've heard two so far. I wanted to ask you, is the green copy modeled on the California language that you had worked on previously? [LB578]

SCOTT CLOUGH: Say that...I'm sorry, the... [LB578]

SENATOR HOWARD: Is the original copy of the bill modeled on your California language? [LB578]

SCOTT CLOUGH: I think so. In all honesty, I did not draft that language. [LB578]

SENATOR HOWARD: Okay. [LB578]

SCOTT CLOUGH: It was drafted here and then I came in and provided some additional assistance on some language for that. [LB578]

SENATOR HOWARD: Okay. So when we're talking about a fiscal year in other states, what fiscal year are they utilizing? [LB578]

SCOTT CLOUGH: So a very good question and I wish I could give you a standard answer. So here's part of the reason that it was left as fiscal year. So one of the issues is there's a cost report tied to this program. And typically what we would like to do is make sure that that cost report is tied back to the audited financials. And so we left it up for SPA development to determine if they wanted to work off of a federal fiscal year, if they wanted to work off of a standard fiscal year, or, actually, if they wanted to use a calendar year. And in one state, in Oregon, they're actually looking at not a fiscal year at all, but doing a reporting period as every quarter. So it was left very generic. I believe that the state fire chiefs had agreed that a state fiscal year would be best. It doesn't matter. It's whatever is more comfortable for the providers in the state. [LB578]

SENATOR HOWARD: Sure. And then as we look at the language, it also says federal financial participation in a lot of areas, and, just to build a record, you're specifically referring to the federal medical assistance percentage, no other federal participation rate? [LB578]

SCOTT CLOUGH: Yeah, the FMAP. Correct. We're referring to the FMAP percentages that you would receive. [LB578]

SENATOR HOWARD: Okay. And you're recommending that this be a state plan amendment, not a waiver. [LB578]

SCOTT CLOUGH: Correct. [LB578]

SENATOR HOWARD: Okay. So when we're talking about the increased capitation payments to managed care through this legislation, I'm curious if you can explain how that might work. We've just transitioned to a new managed care program. It's covering all of our primary care and all of our additional wraparound services. So I was hoping you could speak to how it interacts with managed care in other states. [LB578]

SCOTT CLOUGH: Sure. So, interesting enough, in previous years they weren't necessarily concerned with how it went into the capitated rates. With the new guidance that CMS has provided, they're very specific on states having a very hands-off approach to directing managed care providers as to how they provide those services and how they pay for those services. So we had to modify some of the language to be a little bit more consistent in this case. So typically the way this process works is your participants would transfer the nonfederal share of public funds up to the state. The state would then use that to trigger a draw down of the federal match. Once you enroll a person into managed care, the state has to have a hands-off approach. They can't provide any more financial assistance to that patient once they enroll them into a managed care plan. So these additional rates then go into the capitated rate for that managed care plan. Then the providers of the managed care plan initiate an agreement between them for how they move that money down to them. So I'll give you an example of an IGT that is currently operating in my state and it is through the managed care plans. So the way it operates is it's essentially two agreements. It's an agreement with the state and it's agreement with the managed care plan. So the provider, and I'll use Lincoln Fire as an example, Lincoln Fire would have an agreement with the state that says they're going to transfer a million dollars of the nonfederal share. The state would then draw down the federal match, and we'll just say it's a 50/50 because it's...I'm not good with numbers. So we'll say that now $2 million, that $2 million would then be transferred into the gross capitated rate or payments that that managed care provider receives. Lincoln Fire would then have an agreement with that managed care provider that says we did 1,000 Medicaid transports. The managed care provider would reconcile that and say, yes, we agree, you did

1,000 Medicaid transports. That would then reconcile with the state managed care office that says, yes, we all agree that you did 1,000 Medicaid transports and our cost was X and the reimbursement was X. And then there would be an agreement between the managed care plan and Lincoln Fire that says that the managed care plan will then transfer this amount of money to cover the uncompensated costs of those transports, less whatever administrative fee they charge. So in California and in Nevada and in Washington, the managed care providers typically take about 3 percent for an administrative fee. Now, not to get fuzzy math, but the state has within this legislation a 20 percent administrative fee. So you're allowed, because that is a direct cost as we talk about cost, so that 20 percent is a direct cost. So if Lincoln was actually going to be transferring a million dollars and there's a 20 percent fee, they're actually going to transfer $1.2 million and the state will then draw down that match. That covers the state on a 20 percent administrative fee and makes Lincoln whole, less the administrative fee for the managed care plan. [LB578]

SENATOR HOWARD: Okay. Thank you. That was really helpful. [LB578]

SCOTT CLOUGH: Okay. [LB578]

SENATOR RIEPE: Are there additional questions? Senator Crawford. [LB578]

SENATOR CRAWFORD: Thank you, Chairman Riepe. Could you talk a bit about what you've seen in terms of revenues in any of the states where you've helped create this plan? [LB578]

SCOTT CLOUGH: So I'll start with California because I still actually manage that plan to some degree on behalf of the fire agencies. I retired but they didn't let me leave so they kept me doing this. So in California what we've seen, it's about $100 million-a-year program--obviously a larger state than what we have here in Nebraska. But what I think has been the biggest benefit that we've seen has been with the volunteer fire agencies. Most people don't realize California is an extremely rural state with a lot of volunteer agencies. What was interesting to even me when I helped build the cost reports with CMS, a volunteer agency, you would think, would have very low costs because they don't pay their employees or they pay them on a per-call basis. The reality is that often a rural agency's costs are higher than a municipality and the reason is because of an economy of scale. When you look at Lincoln or Omaha, they have a lot of resources from within that city, whereas if you are a small volunteer agency, you're 100 percent relying on your own services. And because you're not typically transporting as much, the cost per transport is higher. I'll give you an example. There is an agency that services the area of Death Valley. This will actually surprise you. They service Death Valley, very remote. They have to staff that ambulance station 24 hours a day, 365 days a year. They only transport about 120 times a year. The cost to staff that station is over $800,000. When you divide that out, their cost for transport

is in the neighborhood of $16,000 or $17,000 per call because you take the total cost and divide it by transports. So if you're doing 1,000 transports, your cost per transport is less. They have a $16,000-17,000 transport cost. The federal government matches that, cuts them a check for almost $7,000 for every transport they do on a Medicaid beneficiary. So when you get into these small volunteer agencies, they actually see significantly more benefit on a per-call basis than your larger municipalities. And ironically, the city of Los Angeles, because of economy of scale, has the lowest cost per transport of anybody in the state and I have three volunteer agencies that have the highest cost per transport. They don't have a single employee they pay. [LB578]

SENATOR RIEPE: Senator Crawford. [LB578]

SENATOR CRAWFORD: That helps answer my follow-up question, which was how...what...how difficult it is for our fire departments, EMS departments, to pull together these additional costs that would be information that would be needed to make sure this program works and whether you would be involved...you or other people are involved in helping to compile that information or if it's a pretty straightforward process. [LB578]

SCOTT CLOUGH: Well, that's a great question. It's a very straightforward process if you happen to be a hospital and you happen to be a finance person. If you're a fire department, it can be a little bit challenging. So what I found in my experience has been the actual cost reports that CMS has approved are not necessarily complicated. What's complicated for the average fire department is cross-walking fire department costs to what is typically a healthcare cost report. So the challenge is not so much in filling it out. The challenge is in getting the providers to understand that oil changes and tires are the same as healthcare equipment maintenance, so that's how the cost reports are built. So the actual math isn't difficult, but you have to explain tires and lube are exactly the same as annual maintenance on an MRI machine. So from that perspective it takes some training; it takes some time. I have not found anywhere where the cost report or completing that has been a deterrent from participating in the system. [LB578]

SENATOR CRAWFORD: Thank you. [LB578]

SENATOR RIEPE: I have a question. Under Medicare, is this offered as an enhanced reimbursement? [LB578]

SCOTT CLOUGH: Under Medicare? [LB578]

SENATOR RIEPE: Under Medicare. [LB578]

SCOTT CLOUGH: It's not under Medicare at all. [LB578]

SENATOR RIEPE: Not at all. [LB578]

SCOTT CLOUGH: It is strictly a Medicaid benefit. [LB578]

SENATOR RIEPE: Okay, very good. Other questions? Seeing none, did we afford you an opportunity to share everything you wanted to? You've come a long distance. [LB578]

SCOTT CLOUGH: Well, I appreciate that. I'm not here for or against this. Here's what I would tell you from my experience. This legislation really just opens the door for you to put together a program to submit to CMS and seek approval, doesn't guarantee you a program, doesn't guarantee you'll get approval. There's no impact to the state's General Fund. There's no impact to the local taxpayers. It actually generates revenue for the state. The advantage to passing this bill is it opens the door and gives you an opportunity. If you don't pass the bill, you've closed the door and you've stopped all opportunity. So I would just encourage you to really think about the benefits, the pros and the cons, listen to what your other experts have testified. And it's been a pleasure. And I will tell you, I've been to a lot of state capitols. I love your State Capitol. This place is awesome, especially in one of the hallways because I could hear the echo of my shoes. It was quite interesting. I really love your Capitol. So it's been a pleasure. [LB578]

SENATOR RIEPE: We're proud there's no mortgage (laughter). [LB578]

SCOTT CLOUGH: If there's no other questions, thank you very much. [LB578]

SENATOR RIEPE: Okay. I'm a little...I was with the understanding, though, that Senator McDonnell had guaranteed that this would be funded and everything else, up and down. (Laughter) Put a little pressure back on him. Thank you so much for being here. Thanks for your information. We do appreciate it. [LB578]

SCOTT CLOUGH: Thank you. I appreciate it. [LB578]

SENATOR RIEPE: Are there...is there anyone else testifying in a neutral capacity? Seeing none, we'll go to any letters, Tyler, that we have. [LB578]

TYLER MAHOOD: (Exhibits 5-8) Yes. I have a letter from Debbie Von Seggern of the Nebraska Emergency Medical Services Association; a letter from Fire Chief Scott Cordes of the

city of Norfolk; letter from Mayor Josh Moenning of the city of Norfolk--those three letters were in support--and one letter of neutrality from Chief Kevin Cunningham of the Cedar Hill Fire Department in Texas. [LB578]

SENATOR RIEPE: In Texas? Okay. Thank you very much. Senator McDonnell, would you like to make a close on this? [LB578]

SENATOR McDONNELL: Yes. Thank you. I...if you notice the list of the testifiers we handed out, and I wanted to thank everyone for being here and the time they took and what they've invested in LB578. But I also wanted to kind of apologize to Scott. If you look at, we listed him as our expert witness from the West Coast. We didn't even want to list California. And here he's given us a great compliment on our Capitol and he's been great to educate us on this information, so thank you. [LB578]

SCOTT CLOUGH: My wife was born and raised in Illinois. She told me, just say West Coast, don't say California (inaudible). [LB578]

SENATOR McDONNELL: (Laughter) Okay. Well, thank you so much for being here and all the work. And thank you to everybody on the committee. I'd like to reiterate that the Ground Emergency Medical Transportation program is not mandatory for local entities. Each can choose whether or not to participate in the program. But without state legislation, it would be on an individual basis and much more difficult to negotiate with the federal government. Yes, local entities will need to provide an initial investment. But after the first year, those funds would come from the reimbursed amount. It would take about a year for the state plan amendments to go through and get approved, but after that, the initial process, everything will be from reimbursed funds. I want to thank the Department of Health and Human Services for their quick response to my office when there was a concern regarding the introduced language and changes after January 20 with the federal regulations. I have been working with the Department of Health and Human Services and want to continue to work with them to come up with a reasonable and working piece of legislation. Again, I am introducing this as my priority bill to help with the first responders and to be able to continue providing lifesaving services to the citizens of our great state. [LB578]

SENATOR RIEPE: Thank you. Are there questions? Senator Howard. [LB578]

SENATOR HOWARD: Thank you, Senator Riepe. Thank you, Senator McDonnell. Again, I'm sorry I missed your opening. Can you tell me what the concerns were from the department? [LB578]

SENATOR McDONNELL: Based on right now, the cart in front of the horse, based on the idea the federal would change on January 20, they wanted to take more time to learn about that, go through the process, and that was their concern right at this point that, again, after January 20, things changed and... [LB578]

SENATOR HOWARD: Oh, you mean like the new President changed the way we were going to handle our Medicaid program? [LB578]

SENATOR McDONNELL: And that's why we have the amendment, amended language, to try to mirror those changes. So they wanted to look more in depth at it. [LB578]

SENATOR HOWARD: Okay, great. Thank you. [LB578]

SENATOR RIEPE: Senator Crawford. [LB578]

SENATOR CRAWFORD: Thank you. And thank you, Senator McDonnell. And I also apologize but I was not here in your opening. Just to... [LB578]

SENATOR McDONNELL: I wanted to wait for you but... [LB578]

SENATOR CRAWFORD: Yeah, Senator...I... [LB578]

SENATOR McDONNELL: ...Senator Riepe said no. (Laughter) [LB578]

SENATOR RIEPE: The crowd was getting hostile. [LB578]

SENATOR CRAWFORD: So you've talked to the department. Their concern is about a change in, possible change in the program because of a change of administration. But is it the case that this amendment that you provided for us addresses that concern? [LB578]

SENATOR McDONNELL: We believe it does. [LB578]

SENATOR CRAWFORD: Okay. We...? [LB578]

SENATOR McDONNELL: Working with Department of Health and Human Services, again, not speaking for them,... [LB578]

SENATOR CRAWFORD: Right. [LB578]

SENATOR McDONNELL: ...but we have been working together and I believe that amendment will definitely, and with the help of Department of Health and Human Services, will mirror what we need to do with the federal government. [LB578]

SENATOR CRAWFORD: Right. And could you just indicate what the initial...you said the initial investment is for the localities. [LB578]

SENATOR McDONNELL: Well, depending on each locality that wants to participate in this and based on the number of Medicaid calls they have in a year, that will be determined based on a case-by-case basis. [LB578]

SENATOR CRAWFORD: So they'd have an initial up-front... [LB578]

SENATOR McDONNELL: Yes. [LB578]

SENATOR CRAWFORD: ...and then they start getting the reimbursement. [LB578]

SENATOR McDONNELL: Yep. [LB578]

SENATOR CRAWFORD: Excellent. Thank you. I appreciate it. [LB578]

SENATOR RIEPE: This is a Curious George question. As a representative of the Omaha and Ralston, I noticed Omaha is not on the list. Was that by design or is that just their choice (inaudible)? [LB578]

SENATOR McDONNELL: At this point, yeah, that is their choice at this time. [LB578]

SENATOR RIEPE: Okay. [LB578]

SENATOR McDONNELL: But I believe they would...I know as a former fire chief of the city of Omaha I sure would have appreciated the opportunity to be able to collect that money based on providing the lifesaving skills that the Omaha Fire Department provides. [LB578]

SENATOR RIEPE: So from your position where you have been as the chief there, there's no downside to that, that you've seen. [LB578]

SENATOR McDONNELL: I do not believe... [LB578]

SENATOR RIEPE: You're not going to speak for them but... [LB578]

SENATOR McDONNELL: Again, speaking in...it's been four years since I've been fire chief, but from my perspective and my experience, there is no down side as a fire chief. [LB578]

SENATOR RIEPE: Okay. Thanks. It was just a curiosity question. [LB578]

SENATOR McDONNELL: Okay. [LB578]

SENATOR RIEPE: Are there other questions before we let the senator loose here? Seeing none, thank you very much... [LB578]

SENATOR McDONNELL: Thank you. [LB578]

SENATOR RIEPE: ...for a nice presentation. This concludes the HHS public hearing on LB578. Thank you very much. We'd like to go into our second hearing for the day and that will be LB120 with Senator Schumacher. Senator, you've been through the drill before and we'll just let you give your name and spell it and start. [LB578]

SENATOR SCHUMACHER: Thank you, Chairman Riepe, members of the Health and Human Services Committee. My name is Paul Schumacher, S-c-h-u-m-a-c-h-e-r. I represent District 22 in the Legislature and here today to present the opening on LB120. Every once in a while I get a letter from a good Republican activist that kind of starts out like: You're despicable, you vote with the Democrats way too often, why don't you just leave? And kind of fair questions. Part of the answer is I'm not a big fan of taxes. I really don't like them. The other part of the answer is I like welfare even less. There is nothing more degrading to humanity than trapping somebody in the welfare system. They lose their independence. They lose their self-reliance. They become dependent politically on concepts which are not necessarily in the best interest of their individual capacity or of their civic capacity. I don't like it. And anything we can do to help people from being trapped in the world of dependency, which limits their potential for their own development and for their contribution to society, we should try to do. Two, three years ago Senator Nordquist brought a bill. It sounded like an eminently reasonable bill and it pretty much sailed through first reading. It made good common sense. It was a bill that basically provided for assistance to young

women in deferring their pregnancy, should they choose to do that, until the time when they were emotionally and financially stable enough to make a good home for their children, self-sufficient, and be able to raise a family. And then the Legislature did what it all too often does and that is abandon common sense, abandon fiscal responsibility to play a rich man's game and that rich man's game is a game of ideology. And all of a sudden the debate just balled up on ideological thinking, losing sight of very, very commonsense principles. Bill was a good bill; it died. I think it was a filibuster, then we ran out of gas on second reading because of all the ideology involved. I brought the bill back last year because a good idea deserves to be heard and heard and heard again until it takes hold. Last year the excuse was, well, we refigured the numbers and maybe it doesn't save as much. Furthermore, old Obama, he's taken care of the situation because he's got Obamacare now and this kind of assistance is available from Obamacare. Well, looks like Obamacare is out the window this year, going to need to be replaced by something. Talk is the state should kind of kick in and start helping figure out how to replace it. And here comes this idea back again. Maybe this year is the year at least for further consideration, maybe to be advanced to the floor for further debate next year. It doesn't have a priority and I don't know what you could tack it on to. But here's the idea. It comes in three parts. First idea is very simple. You either pay for the pill or you pay the bill, simple as that. We're in a society now when there is a child whose parent or parents do not have the wherewithal to take care of them, that we step in and take care of them. We step in with prenatal care. We step in with baby care, Medicaid. We step in--and probably have got to because if we don't it cost us more--with some type of preschool education. We step in with trying to find a way that Mom can take care of the kid, at the same time go to school and maybe get a little education so maybe she can become self-sufficient and we pay for that. If things go haywire, nevertheless, we step in with juvenile courts, we step in with court-appointed attorneys. We may even have to step in at times with juvenile detention centers and YDC-Kearneys and Genevas and everyplace else--big-time expense. Why? Because the circumstances were such, and have proven to be such regardless of our intentions and what else we preach, that a pregnancy that should have been deferred until a time of stability in life, by the nature of biology, was not deferred. We have the technology, we have the know-how to empower folks to take control of that situation and to put themselves in a position where they can raise and educate strong and stable children. That's the first point. We know in our society if we don't pay for the pill, we will pay the bill, and that bill is many times the cost of the pill, many times. Fiscal note says, well, we don't know how much. Of course you don't know how much. How do you figure something that complicated? But commonsense steps in every once in a while and you say, a whole lot, big-time savings. Second point of the bill: One thing that our school system is probably really, really lax in, that our social system is really, really lax in, that there are pressures on people to behave in certain ways which create new people. We don't emphasize the responsibilities of parenthood, financially how you deal with life, the cost implications of becoming in debt or going on welfare, the social interactions that makes you engage in once you get into that rut. We don't, we don't do a good job at that. And this second part of the bill is to try to build in a program of some financial literacy. In Banking Committee

this year, we heard a pretty sorry tale of how people get caught in the web of payday lending, hand to mouth, hand to mouth, low-paying job, have to cash a check, have to get the money, and then they get hooked into high interest and recycling debt. Why? Because they're not financially stable. They don't understand the very simple principles of money and of how much money it takes in order to do a proper job of educating and raising a child and the tremendous responsibility that that brings on. We tried to take a little bit of a stab at that in this bill. The third thing is what I call "let's help Grandma," because ever since...you can go back in history to old Greece and Mayan and Minoan Empires and Egypt, Grandma or Grandma's sister, the women who are basically beyond childbearing age play an integral role in the raising of children, in the helping of their daughters, in the education of their grandchildren. Part of a stable, sound society is that every woman does matter. You can go take the guys and the sons and send them off into battle with swords and knives and everything else, but every civilized society says spare the women and children. And this provides for some basic health coverage, some basic assistance to women in that category. This is about common sense. It's about some of the most conservative principles that any society can have and that is to use its resources to make for stable families, to make for stable social interactions with children, and to use the resources that we have in a smart way, knowing that every child is absolutely precious and every child should be positioned in the social scheme of things so that they can have an optimum chance at excellence, an optimum chance at development, not thrown into a helter-skelter of an early, unplanned pregnancy. This is biology. This is economics. This is tough stuff and it also flies in the face of some ideology. So be it. I'll be happy to answer any questions. [LB120]

SENATOR RIEPE: Thank you. Are there some questions from the committee? I have a question. [LB120]

SENATOR SCHUMACHER: Yeah. [LB120]

SENATOR RIEPE: Is the incentive greater to take the contraceptive as opposed to the, for lack of a better term, the reward for having a child and the additional compensation that comes? I mean do we have our incentives in line? [LB120]

SENATOR SCHUMACHER: That's the reason for the second point of this. We need to make it very clear that no matter how temporarily attractive the idea of...to have the extra child, get some extra welfare is that in the long run that's a losing game to play. And we need to train that. I don't think this plan would be good without that second point. [LB120]

SENATOR RIEPE: Is there an educational component in there because...or maybe it's not even an educational as much as it is, we see some in this committee of, you know, young women who then have a child because it's someone that could love them and care for them. There's that

relationship that it's probably before maybe maturitywise it's to their advantage. I'm trying to be gingerly or come at this gingerly. Is there any education piece in there? [LB120]

SENATOR SCHUMACHER: Yes, that's the second part of it. The second part of the bill deals with trying to educate particularly young women into how money works and how you can get locked into something. And right now maybe the way that our system is programmed is there's a perception that the state will take care of you so go ahead and do it. That's something we've got to break. And this is an effort to do what is going to be financially smart and efficient. And the studies just looking at the direct cost say for every buck you put into something like this you get somewhere around seven back, and that doesn't get into the preschool cost, the juvenile court cost, the cost from just the fact that somebody starting out in low gear because they come from a situation like this probably never develop their full capacity, even though we...it's something we hope that they will. But the odds are stacking against it. We want to stack the odds for winning rather than for being trapped. [LB120]

SENATOR RIEPE: Are you aware of any private foundations that have considered being supportive of this? [LB120]

SENATOR SCHUMACHER: I think that there probably are. But this basic thing the state can take the leadership. I know that there's different private foundations that will try helping but not direct...and maybe we'll hear some testimony today that knows more about this than I do. But basically, these services and this approach is something where the state should take leadership in because it's going to make money off of it. How much? We'll find out, but I bet you we'll be happy we did it. [LB120]

SENATOR RIEPE: Is there a priority on this bill? [LB120]

SENATOR SCHUMACHER: Not this year. [LB120]

SENATOR RIEPE: Okay. [LB120]

SENATOR SCHUMACHER: Maybe, I don't know, you guys know more about what you advanced out that it could be tacked on to. But if it gets out of committee and we begin to...we can figure out something between...before I'm out of here, which is really pretty fast. A lot of people hope it would be faster. [LB120]

SENATOR RIEPE: (Laugh) Senator Williams has. [LB120]

SENATOR WILLIAMS: Thank you, Senator Riepe. And thank you, Senator Schumacher. You always present us with intriguing and challenging issues that I appreciate. Your number...point number three about let's help Grandma, can you describe in a little more detail for me what you would include in basic health coverage and assistance to women, I think were the words that you sort of used, what the expectation level is there, who receives it, and how that would work? [LB120]

SENATOR SCHUMACHER: Okay. Rather... [LB120]

SENATOR WILLIAMS: What are your thoughts on that? [LB120]

SENATOR SCHUMACHER: Rather than consume the committee's time with how I interpret this program, because this is kind of an established program already, there's some seeds been planted, I think there's...and I don't know who's going to be here to testify. I didn't line anybody up. But my guess is somebody from this Every Woman Matters program will be here and probably will give a quicker and straighter answer than I can. [LB120]

SENATOR WILLIAMS: Okay. Thank you. [LB120]

SENATOR RIEPE: Okay. Senator Erdman. [LB120]

SENATOR ERDMAN: Thank you, Senator Riepe. Thank you, Senator Schumacher, for coming. I appreciate your explaining things in a very thorough manner. Have you seen the fiscal note on this thing? [LB120]

SENATOR SCHUMACHER: I think there was something like $3 million or something. The fiscal notes from Nordquist to last year to this time has varied wildly and what...and I think there may be a little bit of ideological spin in the wild variations. But in the end, I think the figure is whatever it costs in outgo, you look at $7-plus in just basic return on investment before you get to the secondary returns. [LB120]

SENATOR ERDMAN: I believe they say that they're estimating maybe $4 in Medicaid savings for every $1. [LB120]

SENATOR SCHUMACHER: And the Guttmacher study, which is probably a better study, estimates $7. I think there's another one out there that estimates $10, and that's without getting to secondary cost of preschool education, juvenile delinquency, and who knows what else. [LB120]

SENATOR ERDMAN: Okay. [LB120]

SENATOR RIEPE: Okay. [LB120]

SENATOR ERDMAN: I had another question. [LB120]

SENATOR RIEPE: Sure. Go ahead. [LB120]

SENATOR ERDMAN: Let me see if I can find it. I had it written down this morning. Yeah, see, I'll get to them later if I don't get them (inaudible). [LB120]

SENATOR RIEPE: Okay. Well, he may come back for closing, we will hope, so. [LB120]

SENATOR SCHUMACHER: I've got something in Revenue Committee I may have to leave for because we're... [LB120]

SENATOR RIEPE: Okay. Are there other questions from... [LB120]

SENATOR SCHUMACHER: ...we're going to save you tax money over there. [LB120]

SENATOR RIEPE: That's good. [LB120]

SENATOR WILLIAMS: Promise? [LB120]

SENATOR SCHUMACHER: (Laugh) [LB120]

SENATOR RIEPE: Okay. Senator Crawford has... [LB120]

SENATOR SCHUMACHER: No. [LB120]

SENATOR RIEPE: Senator Crawford has another question. [LB120]

SENATOR CRAWFORD: Just for the record and to clarify when we're talking about something around $4 million General Fund, that's savings to the General Fund,... [LB120]

SENATOR SCHUMACHER: Right. [LB120]

SENATOR CRAWFORD: ...just to clarify. So we're talking some investment in that first year, probably in Every... [LB120]

SENATOR SCHUMACHER: Right. [LB120]

SENATOR CRAWFORD: ...Every Woman Matters, initial investment, but then we, right in '18-19, start seeing millions of dollars of General Fund savings. [LB120]

SENATOR SCHUMACHER: And if this were a keno game, I'd bet you that was low. [LB120]

SENATOR CRAWFORD: Right. I think we had an $11 million in another year. [LB120]

SENATOR SCHUMACHER: Yes. [LB120]

SENATOR CRAWFORD: Yes. [LB120]

SENATOR SCHUMACHER: It might have been $14 (million) with Senator Nordquist, but, you know. [LB120]

SENATOR RIEPE: Are there...Senator Linehan. [LB120]

SENATOR LINEHAN: Thank you, Mr. Chairman. And thank you for being here. And maybe I'm just...I don't understand. Why would, on Every Woman Matters, why would you go from 40 to 74 because wouldn't Medicare kick in at 65? Maybe that's not in the bill. I'm reading the fiscal note. Maybe it's not...because...or maybe I don't understand Medicare. But I think Medicare kicks in for everybody but maybe not if you're Medicaid? [LB120]

SENATOR SCHUMACHER: I think Medicare does kick in at 65. [LB120]

SENATOR LINEHAN: I think so. [LB120]

SENATOR SCHUMACHER: I think you're right on that, Senator. And there was some wrinkle here why there was some supplemental need till 74. [LB120]

SENATOR LINEHAN: Okay. Okay. [LB120]

SENATOR SCHUMACHER: And I think maybe somebody else will be...answer that with more particularity. [LB120]

SENATOR LINEHAN: All right. Thank you very much. [LB120]

SENATOR RIEPE: Okay. [LB120]

SENATOR HOWARD: The type of service, it's about the type of service. [LB120]

SENATOR SCHUMACHER: Is that what it is? [LB120]

SENATOR HOWARD: Every Woman Matters covers types of service that aren't as available in Medicare. [LB120]

SENATOR LINEHAN: Okay. [LB120]

SENATOR RIEPE: Okay? Thank you very much. We hope to see you again after Revenue. [LB120]

SENATOR SCHUMACHER: Thank you. [LB120]

SENATOR RIEPE: Proponents, please. We'd ask you, if you are going to speak in favor of or in opposition, to please come forward to the front seats so we can move right along. If you'd just give us your name, spell your name, and... [LB120]

CELEST HORST: Sure. [LB120]

SENATOR RIEPE: ...you're welcome to start. [LB120]

CELEST HORST: (Exhibit 1) Okay. Hello. Good afternoon. My name is Celest Horst, it's C-e-l-e-s-t, last name is H-o-r-s-t. I'm a nurse for going on 20 years now, 18 years in Title X family planning. My medical director is Dr. Todd Pankratz, who is current president of the Nebraska Medical Association and partner/owner in his own private practice in Hastings, Obstetricians and Gynecologists, P.C. Unfortunately, he was unable to testify today so, upon collaboration, this is

our testimony. I am testifying here today in support of LB120 to expand family planning services in Nebraska. I represent the Title X clinic in Hastings, the Community Health Center formerly known as Hastings Family Planning. We see on an average 1,000 young women a year for family planning services, including Pap smears, Gardasil injections, family planning services, and preconceptual and pregnancy planning services. This bill is extremely important to our clinic, especially in rural Nebraska where limited access to prevention, testing, and treatment can be an issue for women. The local health centers help pick up a lot of the care for the young women and for the underinsured women in our area. Currently, we serve approximately eight counties: Adams, Clay, Nuckolls, Webster, Franklin, Kearney, Harlan, and Phelps. In our service area in the year 2016, 65 percent of our clients were below 100 percent of the federal poverty line; 84 percent were below 150 percent of the federal poverty line. In our clinic, we offer confidential STD screening to the college students of the two colleges in our local community. We offer HIV screening. We have confidential family planning services, including seminars on safe sex and abstinence. We are offering long-term reversible contraceptives and Pap smear screening and abnormal Pap smear diagnosis, but we do not offer treatment for abnormal Pap smear. That has been done through our local providers and in the community that are...that we have in our communities, and a lot of these providers are doing these services free of charge or for significantly reduced costs since there is no insurance available for these young women. This becomes very expensive, both for the providers and also for the state of Nebraska. We have had multiple women through the years that have come through our clinic who have been diagnosed with invasive cancers that end up undergoing both a radical hysterectomy and radiation therapy, all of these very expensive to the state. We conducted 187 Pap smear tests with pelvic exams, 271 clinical breast exams, 270 chlamydia and gonorrhea tests, and 108 HIV tests in the year 2016. We do offer Every Woman Matters program in our family planning clinic, though we see a need that is significantly greater than the funding and a lot of women are still not able to have access to Pap smears. Every day we have women who are traveling further and further to seek out this type of care as people are either uninsured or underinsured at the current time. The total dollar amount of our charges for services for the calendar year 2016 was $122,048. We discounted $102,929. This is the amount discounted just from underinsured or self-pay clients. For clients insured who didn't or weren't able to pay their bills, the adjustments or write-offs after insurance paid was around a little over $10,000. With the potential changes that are happening in the Affordable Care Act in the United States, we feel that a bill like this is going to be even more important as we potentially can see more and more people who will not be able to have insurance in the future. At this time, if you have any questions or concerns that I can answer, I'm willing to. Thank you for listening and we encourage your support on LB120. [LB120]

SENATOR RIEPE: Thank you. Are there questions of the committee? Senator Linehan. [LB120]

SENATOR LINEHAN: Thank you, Mr. Chairman. Thank you for being here. So on the college students, these would be students whose parents don't have insurance, because if their parents had insurance then they would be on the insurance plan. [LB120]

CELEST HORST: Right. [LB120]

SENATOR LINEHAN: So some...you...so some of the students you see probably do have insurance. [LB120]

CELEST HORST: Some do. We probably serve in our...I'm just speaking for our clinic, we have about 6 percent that are Medicaid, 37 percent are private insurance, but we have 56 percent that are uninsured or self-pay patients. So over half, more than half of the women, and there are some men that come through for STD services that we serve. [LB120]

SENATOR LINEHAN: Do the colleges offer a student insurance plan? [LB120]

CELEST HORST: You know, Hastings College might. I don't know for sure. But I don't think the Central Community College does. [LB120]

SENATOR LINEHAN: Okay. Okay. All right. So...okay. Thank you. That's all I have. [LB120]

SENATOR RIEPE: Are there other questions? Is there a sense within the community that because your clinic exists others forgo maybe providing some of these services and refer them to you? [LB120]

CELEST HORST: We do get some referrals. We are very closely tied, as my introduction told you, with the OB/GYN office in our community. And unfortunately, they're the ones that kind of get the brunt of having to do free service or a very reduced-cost service for us. But we are located within the Community Health Center, which is umbrellaed under Mary Lanning Health Care, so under the local hospital there. So where we're very fortunate--and like I said, I can only speak for my clinic--is to have that umbrella where we can have women not be turned away because of their inability to pay. They can come to us. [LB120]

SENATOR RIEPE: Okay. Are there other questions from the committee? Seeing none, thank you very much. [LB120]

CELEST HORST: Thank you. [LB120]

SENATOR RIEPE: We will take proponents, please. Welcome. [LB120]

SARAH ANN KOTCHIAN: (Exhibits 2 and 3) Good afternoon, Chairman Riepe and members of the Health and Human Services Committee. My name is Sarah Ann Kotchian, S-a-r-a-h A-n-n K-o-t-c-h-i-a-n, and I appear today in support of LB120 on behalf of the Holland Children's Movement, a nonpartisan, not-for-profit organization founded by Richard Holland committed to improving public policies essential to providing opportunities for success for children and families living in poverty. We'd like to commend Senator Schumacher for the introduction of this important proposal and we're really happy to be here today as part of an effort to improve health outcomes, reduce unintended pregnancies, and save the state money. You will hear today about the importance of this bill and the impact it can have on the health of Nebraskans, and I'd like to focus my testimony here on the impact this bill can have on the economic health of Nebraska. As a mother myself, I think it's a tough argument to make that the choice to have a child is ever a smart economic decision because with children come the associated costs no matter your income. When we take into consider the federal poverty levels, as we often do in this committee, the evidence is clear that as a family grows so does the likelihood of increasing poverty. And for women of low income this bill is designed to cover, the chances of falling into poverty because of an unintended pregnancy are only heightened as are the chances of known costs coming to the state. Our sister organization, the Holland Children's Institute, recently released a report commissioned from the University of Nebraska Medical Center College of Public Health entitled "Future Unknown: The Outlook of Teen Pregnancy in Nebraska." A copy was passed out to all of you along with my letter. And this report investigates and evaluates the social and economic cost and consequences of teen pregnancy in Nebraska. Some of the information in it can be mapped on to issues discussed here today in terms of the economic impact of unintended pregnancies. I'm not going to talk through all the findings, but I would like to highlight that for the 1,411 children born to teen mothers in 2014, the total state spending for the next 18 years, until they reach age 18, was estimated to be roughly $279 million and this is a known underestimate that does not take into account costs for public housing, foster care, incarceration, and lost tax revenues, and it also does not take into account inflation over the years. Bottom line: unintended pregnancies come with a very real cost. I have been testifying in front of this important committee for over a decade now and every year I write letters and I come in person in an effort to constantly shore up funding and improve programs overseen by this committee to support children of low-income families. One of the most important programs in my work has been the Child Care Subsidy Program where we have spent the past 15 years trying to restore a drastic cut made in 2002 with minimal success. The Child Care Subsidy Program is a perfect example of a program that low-income women who are faced with an unintended pregnancy will likely utilize, and it is a costly program, as you know, and as it should be when we as a community prioritize taking care of the children most at risk who are here among us. It would be much more prudent and enjoyable to save here rather than to cut there. I've also spent more than the past year dedicating time to serve on the Legislature’s Intergenerational Poverty Task Force,

with your colleague Senator Kolterman, and the former Chair of this committee, Senator Kathy Campbell. This bill can have an impact on that effort by following through on specific recommendation in the healthcare section to expand eligibility for family planning services. LB120 is not creating any new services. These are services we already provide and if we don't pass this bill we are only penalizing women at a certain income level, a low-income level. At a time when the state is trying to save money, this is as close to a self-evident place where we can save as you may ever see in your time on this committee and we would urge you to advance LB120 to General File. And I would sincerely thank you for your time and consideration today. [LB120]

SENATOR RIEPE: Thank you. We commend you for your persistence (inaudible). Are there questions from the committee? Senator Linehan. [LB120]

SENATOR LINEHAN: Thank you, Mr. Chairman. Thank you for being here. So I'm trying to...Planned Parenthood, there are clinics where you can go and get birth control, right, in Omaha? I don't know about rural so much. I suppose it's harder. It's always harder. But in the urban area are there family planning services available at a reduced cost if I am...if I walk in? So tell me what is today's situation? [LB120]

SARAH ANN KOTCHIAN: What's kind of the lay of the land? [LB120]

SENATOR LINEHAN: Yes, that. I appreciate it very much. [LB120]

SARAH ANN KOTCHIAN: And if I miss anything, I know there are people following behind me who can clean up. But there are what are often referred to as Title X clinics and we get federal funding for these clinics to help provide family planning services. We provide these family services as a service of our Medicaid program for these women who qualify for Medicaid and Title X helps cover the costs of family planning services. There are women of low income who do not qualify for these, for Medicaid or for these services, who might fall into what we now refer to as the coverage gap, so they are unable to access these services. Fortunately, we do have some generous funders and other resources that often and sometimes provide funding that can allow for a sliding fee scale for these services or, if possible, in dire circumstances, provide the services for free. And I'm hoping someone can follow me and talk more to the specifics of that if I'm not answering your question clearly. But really, you get the family planning services if you're on Medicaid or if you can provide some kind of fee on a sliding fee scale or not at all. [LB120]

SENATOR LINEHAN: So I know there's different options but if you were...since the introducer mentioned the pill, so if you go in, you have to have an annual physical to get a prescription and

then the pill costs so much a month. So if you go to Planned Parenthood or there's...is there a place you can go where it's not...you don't...there's a set fee, a certain fee that you can get it, even if you don't qualify for Medicaid? Are there reduced...are there places to go where the charges are reduced? [LB120]

SARAH ANN KOTCHIAN: A sliding fee scale? [LB120]

SENATOR LINEHAN: Yes. [LB120]

SARAH ANN KOTCHIAN: Yes, there are. [LB120]

SENATOR LINEHAN: So if you're at...do you have any idea if somebody behind you, if you're at 150 percent of poverty, do you have any idea what that sliding fee (inaudible)? [LB120]

SARAH ANN KOTCHIAN: That I don't know. But if someone behind me can't answer it, and I think there are providers behind me who can, the actual costs of what these services entail, I'm happy to find that for you. I think it would vary depending on the method that a woman chooses. So there are varying costs among the different methods and then different costs dependent upon income. [LB120]

SENATOR LINEHAN: Do we have any...so if you're eligible for Medicaid, which is 100 percent of poverty, do we have any studies that show how many people actually take advantage of the services so there's not unplanned pregnancies or teen pregnancies? So you're eligible for Medicaid and you can get the services, but still they're not taking advantage of it. Do we have numbers there? [LB120]

SARAH ANN KOTCHIAN: They're eligible for Medicaid but you're not taking advantage of family planning services? That I don't know if data exists. I think it might be more likely that you would have data regarding women utilizing family planning services, but again, I'm not sure. I think it would be more looking at your Medicaid population in general to see who would qualify. But the fiscal note even today estimates 15,000 eligible women that are currently not eligible for Medicaid that would fall into coverage under this bill. And I'm just quoting the fiscal note. [LB120]

SENATOR LINEHAN: I guess what I'm trying to square is one number that I've heard is 44-45 percent of the children born in Nebraska last year were born on Medicaid. So if they were born on Medicaid, one would assume the parents were eligible for Medicaid. But maybe that's where the...that's where the confusion is because if they weren't eligible... [LB120]

SARAH ANN KOTCHIAN: That's not necessarily true. [LB120]

SENATOR LINEHAN: ...until they got pregnant. [LB120]

SARAH ANN KOTCHIAN: Women are eligible for Medicaid when they are pregnant and for a window of time after delivery. After that, it's a very low income threshold to qualify. But the children, as individuals, can qualify for CHIP, which is our Children's Health Insurance Program under Medicaid. [LB120]

SENATOR LINEHAN: So they're all stacked at different levels. [LB120]

SARAH ANN KOTCHIAN: It's not as simple as it sounds, yes. [LB120]

SENATOR LINEHAN: Yes. Okay. All right. [LB120]

SARAH ANN KOTCHIAN: But the woman or the mother, who may have a child who is born Medicaid eligible, may lose her eligibility for Medicaid following the birth of her child, but her child would still remain eligible for CHIP. [LB120]

SENATOR LINEHAN: Because the CHIP levels... [LB120]

SARAH ANN KOTCHIAN: The CHIP level is higher. The CHIP level is nearly 200 percent so our children remain covered. [LB120]

SENATOR RIEPE: I think it's 225 (percent), isn't it? [LB120]

SENATOR LINEHAN: It's what? [LB120]

SENATOR RIEPE: 225. [LB120]

SENATOR LINEHAN: Yeah, if that was... [LB120]

SENATOR HOWARD: No, it's 200. [LB120]

SENATOR RIEPE: Is it 200? [LB120]

SENATOR HOWARD: It's 200. [LB120]

SARAH ANN KOTCHIAN: Uh-huh. [LB120]

SENATOR LINEHAN: Two hundred, okay. All right. Thank you very much. [LB120]

SENATOR RIEPE: Senator Crawford. [LB120]

SENATOR CRAWFORD: Thank you. And thank you for being here to testify. Just to clarify on this point that we're discussing, a young woman who has not...who is not pregnant, does not have children, that young woman is not eligible for Medicaid even at a very low income because she's...if she's not a parent, not a...so she's never had a child. [LB120]

SARAH ANN KOTCHIAN: A childless adult. [LB120]

SENATOR CRAWFORD: A childless adult, a very young female. [LB120]

SARAH ANN KOTCHIAN: (Inaudible), right, qualify for Medicaid at a very low income level. [LB120]

SENATOR CRAWFORD: Very...right, very. [LB120]

SARAH ANN KOTCHIAN: Yes. Uh-huh. [LB120]

SENATOR CRAWFORD: So... [LB120]

SARAH ANN KOTCHIAN: I would also point out, too, that the expansion, so the Medicaid match rate to help cover this I believe is 51/49 in the current program. But if we chose to expand this, it would be a 90/10 match. So when we're taking into consideration the importance of this bill on the state economy, that's a good deal not only for the health of our citizenry but the health of the economy of the state, a 90/10 match. So I would also like to add that point as well. [LB120]

SENATOR RIEPE: Senator Linehan. [LB120]

SENATOR LINEHAN: When does a child goes off CHIP? Is it 18 or 21 or 17 or...? [LB120]

SARAH ANN KOTCHIAN: I believe when they turn 19. I believe up until they're 19, until their 19th birthday. [LB120]

SENATOR LINEHAN: So a teenager would be eligible under CHIP? [LB120]

SARAH ANN KOTCHIAN: Eighteen, sorry, 18. I was thinking in Nebraska law we do allow until 19 but if this is federal it's 18. [LB120]

SENATOR LINEHAN: Okay, so... [LB120]

SARAH ANN KOTCHIAN: Eighteen, and it's income eligibility for CHIP. [LB120]

SENATOR LINEHAN: Okay. But up to 18 they could get birth control then under CHIP. [LB120]

SARAH ANN KOTCHIAN: Up to age 18 under CHIP you have access to reproductive health services, yes, they can. [LB120]

SENATOR LINEHAN: Okay. All right. That's helpful. Thank you. [LB120]

SENATOR RIEPE: Senator Williams. [LB120]

SENATOR WILLIAMS: Thank you, Chairman Riepe. And thank you for being here. Can you just describe for me when you use the term "family planning services,"... [LB120]

SARAH ANN KOTCHIAN: Uh-huh. [LB120]

SENATOR WILLIAMS: ...what comes under that bundle? [LB120]

SARAH ANN KOTCHIAN: Well, in regards to this bill it's access to different methods of contraceptive choices. It's also there's education and outreach involved in this program, I think to Senator Riepe's point earlier, the education piece is crucial. So family planning services can be a number of things regarding a woman's health, her decision on how to move forward with her own reproductive health. So it can be annual Pap smears. It can be breast exams. It can be just counseling with someone, if you go in for an STI test, to have a conversation about your risks, about consent, about coercion, about very important issues related to a woman's health all

around. So I think family planning services, in my mind, is inclusive of a range, of a holistic range of healthcare. [LB120]

SENATOR WILLIAMS: Thank you. [LB120]

SARAH ANN KOTCHIAN: Uh-huh. [LB120]

SENATOR RIEPE: A question I would have is I'm always interested in the numbers and in the source of this. I notice citations. I'm looking for who authored this particular study. Are you the author? [LB120]

SARAH ANN KOTCHIAN: So this research was commissioned by the University of Nebraska, College of...University of Nebraska Medical Center, College of Public Health. And I'm more than happy to give full credit to the wonderful authors here, Doctors Renaisa Anthony and Hongmei Wang, who I'm sure would be more than happy to answer any questions of this committee that I can't regarding the analysis that they performed and should be credited for here. [LB120]

SENATOR RIEPE: Okay. I think maybe the question that we were skirting around a little bit, too, I assume that then this involves abortion consulting and those options as options? No? [LB120]

SARAH ANN KOTCHIAN: Well,... [LB120]

SENATOR RIEPE: I see heads going no. [LB120]

SARAH ANN KOTCHIAN: Heads shaking no behind me, is that right,... [LB120]

SENATOR RIEPE: Yeah, they're (inaudible). [LB120]

SARAH ANN KOTCHIAN: ...not that we use visuals in this committee. But so just related, I think it's important when we're going to get into this that there was a 1977 Hyde Amendment passed which forbids federal funding to be used for abortion... [LB120]

SENATOR RIEPE: Okay. (Inaudible). [LB120]

SARAH ANN KOTCHIAN: ...except in the case of endangerment or even incest. And so even in this bill they say clear that no state funds can be used for abortion. I think this is more. The focus on this bill is about increasing eligibility for family planning services that already exist under CHIP and that already exist in our Medicaid program. It's just covering a group of women and individuals based on their income and saving the state a great deal of money at the same time. [LB120]

SENATOR RIEPE: Okay. Are there other questions? Senator Erdman. [LB120]

SENATOR ERDMAN: Thank you, Senator Riepe. You brought up a question that I had. Do you have a copy of the bill there? [LB120]

SARAH ANN KOTCHIAN: I do. [LB120]

SENATOR ERDMAN: On page 4, line 7...line 27, excuse me,... [LB120]

SARAH ANN KOTCHIAN: Yes. [LB120]

SENATOR ERDMAN: ...can you explain what that means? [LB120]

SARAH ANN KOTCHIAN: No state funds...so line 4...or page 4, line 27 states, "No state funds shall be utilized to pay for elective abortion services." [LB120]

SENATOR ERDMAN: What does that mean, elective abortion services? [LB120]

SARAH ANN KOTCHIAN: A woman's choice to choose an abortion. No state funds will be used for those purposes. That's my interpretation of that sentence. [LB120]

SENATOR ERDMAN: Okay. So then that's not something that they would be advised in those organizations to do, have an abortion? [LB120]

SARAH ANN KOTCHIAN: That they would be advising? [LB120]

SENATOR ERDMAN: Yeah. [LB120]

SARAH ANN KOTCHIAN: That is a question for the providers behind me. [LB120]

SENATOR ERDMAN: Okay. Thank you. [LB120]

SENATOR RIEPE: Okay. Any follow-up questions there, Senator Erdman? [LB120]

SENATOR ERDMAN: That's it. [LB120]

SENATOR RIEPE: Okay. Thank you very much. [LB120]

SARAH ANN KOTCHIAN: Thank you very much. [LB120]

SENATOR RIEPE: It was very helpful. We appreciate it. [LB120]

SARAH ANN KOTCHIAN: I appreciate your time today. [LB120]

SENATOR RIEPE: Next proponent, please. Welcome, sir. If you'd state your name, spell it, and then the mike is all yours. [LB120]

STEPHEN GRIFFITH: (Exhibits 4 and 5) Certainly. Thank you, Senator Riepe and members of the committee. My name is Stephen Griffith, S-t-e-p-h-e-n G-r-i-f-f-i-t-h. I'm here to speak in support of LB120. Now in the interest of full disclosure, I am executive director of Nebraskans for Alternatives to the Death Penalty, and I'm a registered lobbyist on matters relating to capital punishment. However, today on this matter I'm here representing only myself and not in any official capacity. I'm a lifelong Nebraskan. Like many Nebraskans, I'm interested in saving money. And by expanding family planning services, access to family planning services, Nebraska can save more than $7 for every $1 invested. And as I understand it, that would total more than $40 million in savings each year. I'm also a minister in the United Methodist Church. As such, I'm interested in people's well-being, physical as well as spiritual. I served churches in Nebraska for 35 years. In some of the communities where I served, there were limited or no affordable family planning services available. I was often called on to counsel with women who were deciding how to manage an unintended pregnancy. For many of these women, pregnancy represented a large financial burden which they were hard pressed to afford. It often meant hard decisions on how to manage a job or care for family. Or it meant abandoning or delaying plans for education and career. We all know from experience and from studies that this often means lifelong financial hardship and a greater reliance on social services, which creates an additional burden to the state. I believe it makes unassailable sense to provide access to safe and effective birth control methods and so reduce the number of unintended pregnancies. This will reduce Medicaid costs to the state. It will also reduce the number of abortions. I know that some people oppose using birth control based on their religious beliefs, and that's fine. I also know that many

other devoutly religious people of different faiths support the right of a woman to make medical decisions that affect her own health and life. This includes having the information and the medical care needed to choose whether and when to become pregnant. And polls show that a majority of Nebraskans support changing the policy to increase the number of people eligible for family planning services. Now in addition to my own remarks, I have a statement from a woman who had planned to speak from her perspective as a Catholic woman. Unfortunately, she had to leave but asked me to bring her statement to you. Thank you for your time. I urge you to advance LB120 and support its passage. [LB120]

SENATOR RIEPE: Thank you for being here. Does the committee have any questions? Thank you very much again. More proponents, please. If you'd just state your name and spell it, and then the mike is yours. [LB120]

MOLLY McCLEERY: (Exhibit 6) Chairman Riepe, members of the committee, my name is Molly McCleery, M-o-l-l-y M-c-C-l-e-e-r-y, and I am a staff attorney in the Health Care Access Program at Nebraska Appleseed. We are a nonprofit legal advocacy organization that fights for justice and opportunity for all Nebraskans. I'm here today to testify in support of LB120. I think to keep it short, there are three reasons why this bill is so important, especially in the current context. The first reason is the public health impact of increasing access to these crucial services for women and their families. You'll hear a number of other folks today talk about the importance of opening up dialogues with providers about when to have children, how to space out your children, and the different services that are entailed in that. The second is that this bill aligns itself very well with a number of the other priorities that the Legislature has designated in the past few years. These include the work done by the Intergenerational Poverty Task Force, investments in early childhood education, and other antipoverty measures. So this would really go hand in hand with those efforts. The third is the cost savings. I think as Senator Crawford mentioned, the fiscal note on this has changed considerably but the first...or two years ago this was about $11 million a year in savings, which is a pretty substantial and sustained savings over time. I think there were some questions brought up that I think I can help clear up for the record just on about who would be eligible for this program and the types of services that would be provided under this program. So currently, to be eligible for Medicaid, as a low-income woman without children, you would never be eligible without being pregnant, having a disability, or being a senior. If you're a childless adult, you can never be eligible for Medicaid. If you are a low-income parent, you are eligible up to 57 percent of the federal poverty level, which equates to about $900...a little less than $980 a month for a family of three, so very low income. So this bill would extend that coverage for those low-income women who are childless adults. They don't have dependents. So they would be over that age of eligibility for CHIP. But at the same time it would also help the women who are over that threshold for Medicaid eligibility but might be too low for...or too low income to get private insurance coverage, either through the marketplace or off the marketplace. What would be covered under this bill is listed out in pretty

good detail in this bill, but family planning services under Medicaid track with the requirements under the Affordable Care Act for family planning services. They are required to cover, I believe it's, 18 FDA-recommended methods of birth control. So as other testifiers have mentioned, there is a choice that women can have with their doctors and part of family planning services involves discussing that choice with your doctor. So it includes the conversations about: Is this the right thing for me? Do I want to do this? What is, you know, what is best for me and my family? It also goes beyond that into some of the interpersonal violence counseling and things like that, that can be very important for families. I think a lot of times we just think about this in terms of like birth control pills, but this goes a lot further than that in terms of a woman's relationship or a couple's relationship with a doctor. With that, I would just respectfully request that this committee advance this bill, and be happy to take any questions. [LB120]

SENATOR RIEPE: Are there questions from the committee members? Seeing none, thank you very much. Additional proponents. [LB120]

MEGAN HUNT: Hello. [LB120]

SENATOR RIEPE: Welcome. If you'd simply state your name, spell it, and then the mike is yours. [LB120]

MEGAN HUNT: (Exhibit 7) Chairman Riepe and esteemed members of the Health and Human Services Committee, my name is Megan Hunt, that's M-e-g-a-n H-u-n-t. I live and work in Legislative District 8 in Omaha. I'm a mother. I'm an engaged community member. I'm the founder of the nonprofit Safe Space Nebraska. I'm a trustee of the Business Ethics Alliance. And I'm the owner of Hello Holiday, an Omaha-based start-up that employs 11 young women in Omaha. I also want to remark that I've been on welfare and I am a single parent and I can tell you that I'm much more motivated by the opportunities I have to receive education and further my career, rather than seeing an opportunity to get pregnant as a way to strategically make more income. And I feel really comfortable generalizing that to almost all women, so that's not really...I don't think that that should be any part of the debate. I'm encouraged that the Nebraska Legislature has the opportunity this session to remove what I see as a serious barrier to economic growth in Nebraska by passing LB120, introduced by Senator Schumacher to increase medical coverage for women. I want to talk to you about this from the perspective of a business owner, who is on the ground, who is close to your constituents and voters, who understands personally the importance of accessibility to healthcare to keeping great minds here in our state. It really comes down to this: If the work force is depressed because people don't have access to basic healthcare and aren't able to be in control of their own fertility, employers like me aren't able to pick from the best talent. That's what makes those people graduate college and get out of here. That's what makes people decide to take jobs in Minneapolis or Kansas City or Denver or

Chicago instead of putting down roots here and seeing Nebraska as a place where they can make a home and a family. I respect and understand the importance and impact of our rural communities in Nebraska, but if we want our urban centers to be a player in this region we've got to stop hemming and hawing over legislation that's easy, that will make the good life accessible to so much more talent that we want in this state. I think legislation like this is even worth taking the long view on. Over 60 percent of my company's sales come from outside the state, and that number is growing. It's simple economics: If people in Nebraska aren't able to plan their families, they won't have as much purchasing power because they had more children than they could afford and they weren't able to attain the education they wanted so they couldn't qualify for the jobs to give them the earning power they could potentially have, and they miss out on income that could have been used to support small businesses like mine, small businesses like many of yours. They never would have had the capital to start businesses of their own. They don't have the funds to reinvest in their communities. You have to understand how the cycle of poverty impacts cycles of economic growth and how all of that can be so alleviated with simple access to preventative healthcare and family planning. As a business owner, my dream is for all of my employees to have the opportunity move on from my company and start businesses of their own someday, or to pursue higher education, make decisions about where their lives are going, instead of being debilitated by the cost of healthcare. And I'm one of the people in the coverage gap and so we're out here. We're not lazy. We're not, you know, economically in outs. You know, it's a problem in this state. I have two women who are...who have amazing ideas for companies that they want to start after they finish school who work for me and I have four women who are currently pursuing graduate degrees, and I could not be prouder to be here today to ask you to support them by advancing this bill to General File. I'm a proud sixth-generation Nebraskan. I'm a proud Omahan. I live here by choice. I live here because I believe in the opportunities we have for progress and growth in this state. I live here because I see that we're a state of hard workers, because I'm inspired by the spirit of the pioneers who came before me. I live here because I admire so much the work Nebraskans do to support each other in the face of so much cultural and political adversity. That's why I'm asking you to prioritize and support LB120 so we can have a real discussion about it on the floor and take the opportunity to save money and increase positive outcomes for women and businesses and families in the state. Thank you. [LB120]

SENATOR RIEPE: Thank you. We'll see if there are any questions from the committee. Any? Seeing none, thank you very much. [LB120]

MEGAN HUNT: Thank you. [LB120]

SOFIA JAWED-WESSEL: I always feel so small sitting here. [LB120]

SENATOR RIEPE: Welcome. [LB120]

SOFIA JAWED-WESSEL: (Exhibit 8) Hello. Thank you for having me. My name is Dr. Sofia Jawed-Wessel. That's S-o-f-i-a J-a-w-e-d-hyphen-W-e-s-s-e-l. I reside at 2002 North 53rd Street in Omaha. I'm an assistant professor in Public Health and Health Education at the University of Nebraska in Omaha. I'm also the associate director of the Midlands Sexual Health Research Collaborative. I am an expert in public health, sexual health, and social and behavioral research. I also have pretty decent training in statistical and quantitative data analysis. This letter does not reflect any official position of the University of Nebraska, however. So I'm going to present some numbers here. I'm going to be brief so stay with me, but if any of these numbers you want references for, I'm happy to provide those details. Access to modern contraception, screening for sexually transmitted infections, and preventative health screenings are a vital component of public health. It may appear at first glance that providing government funding for programs that provide these services are costly and, therefore, negotiable. This is far from truth. Unwanted and mistimed pregnancies have significant negative consequences not only for individual women and their families but society as a whole. In Nebraska, 43 percent of all pregnancies, or about 14,000, in 2010 were unintended, and of those 69 percent resulted in births, 16 percent in abortions, and 15 percent in miscarriages. These pregnancies are highly concentrated among low-income women who are much more likely to need public assistance for the prenatal care, birth, or possible miscarriage costs. In Nebraska, the federal and state government spent $133.6 million on unintended pregnancies. Of this, $41.7 million was paid by our state in 2010. The total public costs for unintended pregnancies in 2010 was $376 per woman age 15 to 44 in Nebraska, compared to $201 nationally. So we are paying more than what other states are paying. We are above average. Publicly funded family planning centers in Nebraska, it's estimated, helped avert about 6,500 unintended pregnancies in 2010...or in 2013, excuse me. We need to increase support for these centers so they can better serve our state, particularly people of color and rural communities who have disproportionately less access to healthcare. These prevention efforts have important social, health, and economic benefits. And if we want to see abortion rates rapidly decline, as I do, affordable contraception is the way to do it. Based on my experiences as a public health expert and the findings that I've presented, it's my professional opinion that all of Nebraska would greatly benefit from increased access to family planning and preventative health. By preventing unintended pregnancies, Nebraska could save more than $400 million each year...or $40 million, excuse me. For every $1 we spend we could save another $7. I have read the analyses and the research on this topic and the numbers are sound. Supporting LB120 is truly a win-win for all Nebraskans. We spend less money and we achieve a greater good. I can also speak to a question that happened earlier in terms of college students and healthcare. So universities require a health fee for students that they have to pay in, so that provides them access to the clinics that the universities or the colleges provide. That doesn't give them free services, though. So they have access at a, you know, reduced cost to basic healthcare. If they want contraceptives, they still have to pay out of pocket for those. It's not as expensive as it would be if they were going without insurance at all, but that's still an out-of-pocket expense that would be incurred. It's not...the contraceptives or the Pap smears, so these things are not necessarily free.

It's different from university to university how much they provide and there might be private funding possibly as well, but most likely there isn't. If there are any other questions, I'm happy to. [LB120]

SENATOR RIEPE: Senator Williams. [LB120]

SENATOR WILLIAMS: Thank you, Chairman Riepe. Could you provide us your statistics... [LB120]

SOFIA JAWED-WESSEL: Absolutely. [LB120]

SENATOR WILLIAMS: ...that you went over so quickly? [LB120]

SOFIA JAWED-WESSEL: Yes, absolutely. Yes, yes, yes. [LB120]

SENATOR WILLIAMS: Could we have... [LB120]

SOFIA JAWED-WESSEL: I have one copy that has some of the references on the back that you can get to as well as I think all of them I give you a Web site that you can go to, to read these. [LB120]

SENATOR WILLIAMS: It would just be helpful to have those to read. [LB120]

SOFIA JAWED-WESSEL: Yeah, absolutely. [LB120]

SENATOR WILLIAMS: Thank you. [LB120]

SOFIA JAWED-WESSEL: And it has my contact information there as well if you need anything clarified beyond today. [LB120]

SENATOR RIEPE: Senator Williams, any further...? [LB120]

SENATOR WILLIAMS: No, Senator. [LB120]

SENATOR RIEPE: Okay. Others? Oh, Senator Linehan. [LB120]

SENATOR LINEHAN: Thank you, Mr. Chairman. It's wonderful you're here, statistics. So if...how do you figure out how many people would then get on the pill and not have babies? [LB120]

SOFIA JAWED-WESSEL: So it depends... [LB120]

SENATOR LINEHAN: I'm a little confused by the math on this. [LB120]

SOFIA JAWED-WESSEL: So some of this depends on individuals who...so what want to...go to a clinic trying to access birth control of some capacity and either are turned away because they could not afford it but, you know, did not qualify for Medicaid; could not afford the cost of the type of contraceptive that they wanted and were turned away. So we used that to a certain extent. But mostly these are people, in terms of like say that 6,500 unintended pregnancies that were averted, these are women who came in saying that they do not want to have children right now who were successfully placed on contraceptive methods and did not get pregnant, did not come back pregnant, if that makes sense. [LB120]

SENATOR LINEHAN: Okay, I guess. [LB120]

SOFIA JAWED-WESSEL: These are people who were served through these federally funded clinics. [LB120]

SENATOR LINEHAN: So if I come in and I can't afford it, what is it that I can't afford? How much can't...what is the amount of money for... [LB120]

SOFIA JAWED-WESSEL: That's going to be dependent on the individual. [LB120]

SENATOR LINEHAN: Just give me some examples. [LB120]

SOFIA JAWED-WESSEL: I mean so, okay, so say you want to have an IUD placed, right? [LB120]

SENATOR LINEHAN: Okay. [LB120]

SOFIA JAWED-WESSEL: So an IUD can cost anywhere from $200 to $400 and that just is for the IUD, not necessarily just the placement of it. So if a young woman does not have that money, she cannot get an IUD. The birth control pill is monthly and depending on her...on the clinic that

they're going to, the sliding scale that they might potentially have, that could be anywhere from $20 a month to $50 a month, even as low as $10, but just is dependent on where she's going, what she has access to. I have students who have the university health clinic that they have access to that, but still can't afford the $20 a month that they would have to pay out of pocket as a copay for birth control pills. They're, you know, they're not on their parents' insurance. They're either aged out or are not, you know, in contact with their parents. [LB120]

SENATOR LINEHAN: They can't afford $20 a month? [LB120]

SOFIA JAWED-WESSEL: It depends. I mean for some individuals that's...if they're having to make decisions between food and other medications that are...that could potentially be possible and are paying for tuition. And if you're a full-time student, you don't have a whole lot of hours to work. I was a full-time student who did work and I was one of those students who could not have afforded an extra $20. With the loans I had pulled out, I was scraping every single dime at that moment. I supported myself. I put myself through college and I was a single woman with no children and I didn't have my parents paying for anything of mine. That was not...I did not...I was not on their insurance. I had myself. [LB120]

SENATOR LINEHAN: Okay. Thank you very much. [LB120]

SENATOR RIEPE: Excuse me. [LB120]

SOFIA JAWED-WESSEL: Oh, yes. [LB120]

SENATOR RIEPE: I had one question. And I'm a bit out of my league on this one but what's your preferred piece between, say, the daily pill and the...I think there are injections as well? [LB120]

SOFIA JAWED-WESSEL: Yeah. So this is... [LB120]

SENATOR RIEPE: Does that make...does one make sense over the other? [LB120]

SOFIA JAWED-WESSEL: Well, that's really going to depend on the woman, right, and what her circumstances are, right, so...and biologically would respond differently to different kinds of medication. Some of them have more hormones than the other. Others, some have very low hormones. So some women might not want like an IUD is expensive, it's an investment right up-front, but you keep it in for multiple, many, many years, right? That's the benefit of it. So you pay up-front but it's cheaper in the long run. But if you're looking to get pregnant in two years'

time, you might not want to put in that investment so you might use the birth control pill. But hormonally that might not work well for you. So it really just depends on the individual and what their needs are. I couldn't tell, I couldn't make a statement saying that one type of contraceptive is better for any...just the swath of the population. [LB120]

SENATOR RIEPE: Okay. Senator Williams, please. [LB120]

SENATOR WILLIAMS: Thank you, Chairman Riepe. One quick question, definitional, using the term "unintended pregnancy." [LB120]

SOFIA JAWED-WESSEL: Yes. [LB120]

SENATOR WILLIAMS: Can you define what that is for me? [LB120]

SOFIA JAWED-WESSEL: So a pregnancy that was not planned, so they were not trying to get pregnant when they had sex. [LB120]

SENATOR WILLIAMS: So this could be somebody that's on...that's low income. It also could be... [LB120]

SOFIA JAWED-WESSEL: It could be somebody who's even using a contraceptive method potentially, yes,... [LB120]

SENATOR WILLIAMS: Right. [LB120]

SOFIA JAWED-WESSEL: ...but it's unlikely. So especially a hormonal type of contraception, it's very unlikely. I can give you stats on those but like we're talking like very, very, very, very low. [LB120]

SENATOR WILLIAMS: Thank you. [LB120]

SOFIA JAWED-WESSEL: Yeah. [LB120]

SENATOR RIEPE: Hands? Thank you very much. You're obviously a high achiever working your own way through school. [LB120]

SOFIA JAWED-WESSEL: Thank you. I'm happy to be here. [LB120]

SENATOR RIEPE: Bless you. Additional proponents? [LB120]

AARON BOWEN: (Exhibit 9) Good afternoon, Chairperson Riepe and members of the Health and Human Services Committee. My name is Aaron Bowen, that's A-a-r-o-n B-o-w-e-n, and I am executive director of Eastern Nebraska Community Action Partnership, a community action agency serving Douglas and Sarpy Counties. I'm here this afternoon in support of LB120 on behalf of the thousands of low-income individuals and families my agency serves each year, each of whom are working toward greater independence and economic stability and a brighter future for themselves and their children. The prevailing definition of generational poverty is when at least two generations of a family have been born into poverty. Too many Nebraska families in both urban and rural communities across the state have been poor for far too long. My staff and I commend Senator Schumacher for bringing this bill and his interest in helping families escape this cycle of ongoing crisis, little hope, and too few choices. And it's something that my staff and I see each day. LB120's expansion of family planning services to individuals up to 185 percent of the federal poverty guidelines gives these families greater agency to create a successful future. We know who will access these expanded services and testimony today is showing that and what the numbers tell us. According to Community Action Nebraska's newly published statewide needs assessment, 51 percent of single mothers with children under five live in poverty. Single mothers nationwide have the highest levels of poverty of any family type. One hundred percent of the federal poverty guideline for a single mother plus two children, which is a very typical family of who we see, is $20,420. Raising this to 185 percent of the guideline--which again, as you know, is the free and reduced lunch calculation for school districts--brings this figure to $37,777. The issue is the MIT Living Wage Calculator, which is something we rely on to calculate living wage in our agency, shows that this same family of three needs to make almost $57,000 a year in Douglas or Sarpy County before taxes to meet their basic needs. The federal poverty guidelines, which are well known to be outdated, tell us to add an additional $4,200 for every child beyond an eight-person household. Yet, we know that the cost of childcare alone, not to mention food, housing, and medical care for each child, outpaces this figure significantly. I think they show that, as a father of two, the cost of childcare is well beyond that for one child. Children born to poverty are far more likely to remain living in poverty as adults and research shows that a mother's education level is the primary indicator of her child's academic success and physical well-being growing up. Access to accurate family planning information and quality services gives women living in poverty, who likely grew up in poverty just as their parents did, the capacity to choose when to start or grow their family. Perhaps it's when they finish high school or their bachelor's degree or find a safe place to live or secure a better paying job with health coverage or develop a stronger support system. These goals, once achieved, mean a more secure future for her and her children. A 2014 paper available through the National Institutes of Health details the impact of expanded family planning services on low-income families. I

provided the committee with the full report and share this excerpt. "In 2012, approximately one in five U.S. children lived below the official poverty line, only slightly lower than in 1965. The persistence of child poverty and its potentially negative consequences for children's opportunities has made reducing child poverty a public policy concern." And it's why many are here today. "While the majority of Americans have higher incomes than their parents, children with parents in the lowest income quintile experience the lowest absolute increase in income through adulthood. In fact, 43 percent of all children and 50 percent of black children with parents in the bottom income quintile remain in the bottom income quintile as adults." So essentially, if you start at the bottom, you're going to remain at the bottom, and research shows this time and again. Findings suggest the potential of family planning programs to disrupt this cycle of disadvantage. Even conservative estimates of the costs per children or adult exiting poverty suggests that family planning programs could improve economic outcomes over the longer term. The grip of generational poverty has a powerful but not unbreakable hold on Nebraska families. LB120 gives families the power to change the trajectory of their lives for the better. The greatest mark of success for my agency is that our clients no longer need us and that their children do not become our newest clients. Nebraska communities will thrive only when entire Nebraska communities thrive. I hope you'll make passage of LB120 a priority. [LB120]

SENATOR RIEPE: Thank you very much. Are there questions from the committee members? Seeing none, thank you very much. [LB120]

AARON BOWEN: Thank you. [LB120]

SENATOR RIEPE: Additional proponents. If you'd simply state your name and spell it. [LB120]

ANDREW NORMAN: (Exhibit 10) Sure. Chairman Riepe, members of the committee, my name is Andrew Norman, A-n-d-r-e-w N-o-r-m-a-n. I reside at 2932 North 57th Street in Omaha. I'm the executive director and cofounder of Hear Nebraska, a nonprofit organization that meaningfully connects and engages fans, artists, and communities through music journalism, education, and events. We develop and provide exposure for Nebraska's music as well as training the next generation of Nebraska's leaders and creating reasons for young people to invest and stay in Nebraska. I'm also happily married and the proud father of a beautiful little three-year-old. My wife Angie and I founded Hear Nebraska five years ago and today the organization and our son are full-time jobs for us both. We have relied on the Affordable Care Act to purchase health insurance for our family and for our employees to purchase it for theirs. The ACA has provided our family the assurance that if something happens to one of us, we'll be taken care of. It has allowed my wife, who has what are considered preexisting conditions, to finally address some longstanding health issues that had limited her quality of life. The truth is, if the ACA should be repealed my family would lose their access to affordable care, and that includes

reliable contraception. If our financial circumstances were less fortunate, Angie and I would have to choose between a second child and Hear Nebraska, an organization we built from a $4,000 budget in 2010 to a projected $530,000 in 2017. We don't want any Nebraskans, especially not those who work with us, to have to make impossible choices like that. LB120 would give my family and thousands of other Nebraskans, including many of our contributors, musicians, and employees at music-related businesses in this state, the ability to confidently plan our future. We want the talented, innovative people we work with to have as much control of their future as Angie and I do. Our story is not unique. All of Nebraska would greatly benefit from increased access to family planning. I encourage the committee to keep my family and the positive impact Hear Nebraska has had for our state in mind when deciding on how to vote on LB120. And I strongly encourage you to support LB120. Thank you. [LB120]

SENATOR RIEPE: Are there any questions? Senator Linehan. [LB120]

SENATOR LINEHAN: So if we pass...thank you, Mr. Chairman. I'm sorry. So if we pass LB120, would you leave the Affordable Care Act and go to this program? [LB120]

ANDREW NORMAN: I don't believe I personally am eligible. I'm above the 185 percent of the poverty guidelines. But some of our contributors are. Many people who contribute content to our publication, many of the musicians who perform at our events would be eligible. [LB120]

SENATOR LINEHAN: So if we...according to the fellow who testified right before you, this would move a family of three up to $57,000. That's above the median income of the state of Nebraska for a family. So it would be half the people in Nebraska with kids. [LB120]

ANDREW NORMAN: I'm sorry. Is that a question? [LB120]

SENATOR LINEHAN: I don't know. That's what I'm asking. Does that fit with what you've got...you just said. [LB120]

ANDREW NORMAN: Yeah. [LB120]

SENATOR LINEHAN: So are the people you're talking about, they make more than $20,000 but less than $57,000? Is that the group you're talking about? [LB120]

ANDREW NORMAN: Yes. I think there are many, many people who fall within that who are impacted by our work or contribute to our organization. [LB120]

SENATOR LINEHAN: So the problem, well, so how much would somebody have to make then if...to afford health insurance? I mean that's...you have this huge cliff. If you give somebody...and we're just talking here about family planning. [LB120]

ANDREW NORMAN: Sure. [LB120]

SENATOR LINEHAN: So you give them up to $57,000. Then they have to have a pretty steep increase in their income to afford to pay fully for their own insurance, since it's about $1,000 a month. So we'll get to...I seem...okay. But you and your wife are AC...you go through on the computer and you find and you buy. [LB120]

ANDREW NORMAN: Correct, and so do our...we have two other full-time employees and they both do as well. And I'm sorry, I'm probably not... [LB120]

SENATOR LINEHAN: Well, I have children who do that, too, and I have children with preexisting conditions and I...it's...I understand your concerns about it going away. [LB120]

ANDREW NORMAN: Sure. Yeah. And I'm probably not the best person to answer the question about exactly where (inaudible). [LB120]

SENATOR LINEHAN: No, that's good. I'm just trying to figure it out. Thank you very much. [LB120]

ANDREW NORMAN: Sure. [LB120]

SENATOR LINEHAN: Appreciate it. [LB120]

ANDREW NORMAN: Thank you. [LB120]

SENATOR RIEPE: Any other questions? Seeing none, thank you. Are there more proponents? Welcome. If you would state your name and spell it, please. [LB120]

TRACI BRUCKNER: (Exhibit 11) Good afternoon, Chairman Riepe and members of the Health and Human Services Committee. My name is Traci Bruckner, T-r-a-c-i B-r-u-c-k-n-e-r, and I'm the research and policy director for the Women's Fund of Omaha. We are here today to testify in support of LB120, as we believe it will improve the health and economic security of women and families in Nebraska by offering preventive healthcare services. We conduct a survey or surveys

to take the pulse of our community. When we ask issues that are most pressing for girls under the age of 18, our community consistently points to pregnancy, sexual literacy, and poverty. And we know that poverty is a risk factor for teen pregnancy and a lack of sexual literacy and vice versa. Sexual literacy is defined as the knowledge needed to advance and protect one's own sexual health and well-being. This is important as an adolescent, or those ages 15 to 24, because we know that over the past 20 years approximately 50 percent of high school students are sexually active. This number is lower for 9th graders and higher for 12th graders, but the numbers are stable. Since our community surveys have consistently shown sexual literacy and pregnancy to be among the top issues facing girls in our community, we're proud to have invested more than $225,000 in sexual literacy programs, as well as an additional $5.8 million in the last year to increase access to sexual and reproductive education and healthcare. Unfortunately, we know that's not enough. We do continue to see epidemic rates of sexually transmitted diseases, specifically among adolescents ages 15 to 24. And although teen pregnancy rates are declining, 86 percent of which are attributed to increased contraceptive use, there is a glaring disparity between whites and African-Americans, Native Americans, and Hispanics. An African-American teen in Douglas County is five times more likely to become pregnant than her white counterpart and she's also ten times more likely to contract chlamydia. Based on best practices, we found we needed to base our solutions on understanding potential risk factors and intervention strategies. Two of the major risk factors identified as increasing the probability of teen pregnancy and STDs are inadequate access to healthcare and poverty. This means if we're to effectively address these issues, we need to provide access to healthcare regardless of socioeconomic status, which is exactly what LB120 seeks to do. When we talked with adolescents, we were astonished to hear that they have an overall lack of knowledge around their sexual health. Not only were they not using condoms to protect themselves, they preferred to ignore their potential STD status. Finally, we found that the majority would rather become pregnant than find out they have an STD. In fact, each person we interviewed reported at least one peer who was currently pregnant. This research provided really the framework for what is now our Adolescent Health Project, which we launched in January 2015, and it really seeks to create sustainable communitywide changes through a research-based, results-focused, comprehensive approach that, one, will increase their sexual knowledge and health of our adolescents and then, thereby, have an impact in decreasing the number of youth engaging in risky sexual behavior. We believe this will decrease the rates of both of the sexually transmitted disease rates and also teen pregnancy in our community. The major priorities in our project involve building capacity for STD testing and treatment, while increasing access to long-acting reversible contraceptives, otherwise known as LARC, such as IUDs, which are incredibly effective at postponing pregnancy. This project, since we launched in 2015, has more than doubled the testing rates for STDs and, in addition, we've increased access to LARCs by 255 percent just in the first six months from June of 2016 to December of 2016. Our neighboring state, Colorado, is really a leader in this area too. They are serving as a model for reducing unintended pregnancy rates through increased access to LARCs. Their teen birth and abortion

rates have nearly been cut in half since 2009. I think the last number I saw was 48 percent. So the evidence to us is clear that support for family planning services to ensure women have access to safe and effective contraception is an investment in their futures as well as ours. It's a proven money saving investment. Other people have stated that current research shows for every $1 we invest we save $7. Actually, I think it's $7.09. We would respectfully request the committee advance LB120. And I thank you for your time and would take any questions. [LB120]

SENATOR RIEPE: Thank you very much. Are there questions? Senator Williams, please. [LB120]

SENATOR WILLIAMS: Thank you, Chairman Riepe. And thank you, Traci, for being here. You mentioned Colorado and the success they have had. Did they follow a model that's similar to what we're looking at in LB120? [LB120]

TRACI BRUCKNER: They currently are doing most of this through some private funding sources in Colorado while they're trying to solidify some state legislation around that. [LB120]

SENATOR WILLIAMS: Thank you. [LB120]

SENATOR RIEPE: Senator Linehan. [LB120]

SENATOR LINEHAN: Thank you, Mr. Chairman. Thank you, Traci, for being here. [LB120]

TRACI BRUCKNER: Yes. [LB120]

SENATOR LINEHAN: Your program, though, if you're working with teens, they are covered, right, up to 200 percent of the poverty level under CHIP. [LB120]

TRACI BRUCKNER: We're working with the adolescents 18 to 24...well, 15 to 24. But it's broader than just teenagers, but our focus is on reducing unintended pregnancy rates with teenagers. [LB120]

SENATOR LINEHAN: But the teenagers from 15 to 18 are covered under CHIP if they're less than 200 percent of the poverty level. So this bill wouldn't affect 18...15- to 18-year-olds. They're already covered. [LB120]

TRACI BRUCKNER: Right. [LB120]

SENATOR LINEHAN: Right. So what you're really talking about with your program is 19- to 24-year-olds. [LB120]

TRACI BRUCKNER: Yes, with the Medicaid, with this, with LB120, yeah. [LB120]

SENATOR LINEHAN: But what you're trying to do with your program, which looks very good, is you're trying to get to them when they're 15 years old, so by the time they're 19 to 24 they kind of understand that they either have to have contraception or they're going to end up pregnant. You would hope by the time they're 19, right,... [LB120]

TRACI BRUCKNER: Yes. [LB120]

SENATOR LINEHAN: ...if you've got them since they're 15. [LB120]

TRACI BRUCKNER: Yes. [LB120]

SENATOR LINEHAN: Okay. All right. So this is...this...do you know how much funding your organization would think that this legislation would provide them, how many clients you would have in that 19 to 24 age group? [LB120]

TRACI BRUCKNER: I can't answer that off the top of my head but I'd be happy to follow up with you and provide that answer. [LB120]

SENATOR LINEHAN: Okay. And you do have private funding for some of this, right, a lot of it? [LB120]

TRACI BRUCKNER: Yes. Yes. [LB120]

SENATOR LINEHAN: Okay. [LB120]

TRACI BRUCKNER: It's all private funding. [LB120]

SENATOR LINEHAN: But you surely take advantage of the Medicaid that's available to the 15- and 18-year-olds. [LB120]

TRACI BRUCKNER: Well, that would be through the clinics that provide that. We work with partners to provide the sexual education and literacy and also increase the access to sexually transmitted disease testing and IUD implants as well. [LB120]

SENATOR LINEHAN: Okay. So maybe I'm confused. So is your money in this bill, part of it would be for your education services? [LB120]

TRACI BRUCKNER: No. This money would not go to an organization like ours. [LB120]

SENATOR LINEHAN: Okay. [LB120]

TRACI BRUCKNER: Yeah. [LB120]

SENATOR LINEHAN: It goes to the clinics. [LB120]

TRACI BRUCKNER: Yes. [LB120]

SENATOR LINEHAN: Okay. [LB120]

TRACI BRUCKNER: Yes. [LB120]

SENATOR LINEHAN: All right. That's what I thought. Okay. Thank you very much, Traci. That's helpful. [LB120]

SENATOR RIEPE: Senator Kolterman. [LB120]

SENATOR KOLTERMAN: Thank you, Senator Riepe. Ms. Bruckner, can you tell me, I'm intrigued by you invested more than $225,000. I assume that's the Women's Fund. [LB120]

TRACI BRUCKNER: Yes. [LB120]

SENATOR KOLTERMAN: And then it says as well as an additional $5.8 million last year. [LB120]

TRACI BRUCKNER: Yes. [LB120]

SENATOR KOLTERMAN: Where did that money come from? [LB120]

TRACI BRUCKNER: That is from a private foundation and private donor sources. [LB120]

SENATOR KOLTERMAN: Okay. Thank you. [LB120]

TRACI BRUCKNER: Uh-huh. [LB120]

SENATOR RIEPE: Okay. Are there additional questions? Seeing none, thank you very much. [LB120]

TRACI BRUCKNER: Thank you very much. [LB120]

SENATOR RIEPE: Additional proponents. Welcome. [LB120]

KATHERINE LESSMAN: Thank you. [LB120]

SENATOR RIEPE: If you'd just state your name and spell it, please. [LB120]

KATHERINE LESSMAN: (Exhibit 12) Thank you, Senator Riepe and members of the committee. My name is Dr. Katherine Lessman, K-a-t-h-e-r-i-n-e L-e-s-s-m-a-n. I'm a board-certified obstetrician and gynecologist practicing in Omaha. I'm a member of the American Congress of Obstetricians and Gynecologists and I'm here today for women's healthcare providers as well as for the women of Nebraska and their children. Now my personal story is that I was born and raised here in Omaha, went to med school here, trained in St. Louis, Missouri, and have been practicing in Washington State for the last three and a half years. I moved back to Nebraska in January and joined Nebraska Medicine and UNMC in February, though please let me be clear I am...my views and statements today here are my own and not necessarily representative of those of my employer. Now I quickly found in practice that I would sit down with a woman, trying to find out what's best for her, and then I hit a wall because the barriers to care are more than I was used to and I think that's a disservice to the women of Nebraska and we can do better and we should do better. Senator Riepe, as you've already alleged to, the motivations that women take into their daily...their healthcare concerns, their desire to get pregnant or not, their ability to seek care or not is very complicated. And if we have someone in the office, I don't want to have to go through a financial counselor and then bring her back when she may or may not come, or send her out to a Title X clinic where she may or may not come. We often only get one chance to provide the services that she needs and really does desire because her life is differently complicated in ways that we can't understand. So as a

gynecologist, I can talk about the ins and outs of contraception all day but I would like to elaborate on a few key points as time allows. One, some forms of contraception or birth control are better than others. Two, birth control methods do not cause abortion. Three, the best birth control methods are our best tools in the fight against abortion. Four, contraceptive access does not result in promiscuity. And five, it's cost-effective. So about birth control effectiveness, we often look at how well a birth control method works by measuring how many women would get pregnant if 100 women used that method for a year. But the fertile window doesn't only last a year and we have better data than that. So if we actually have...we followed women for ten years of actual use. These are women who are motivated. These are women who are using things as best they can. Now without adequate healthcare access, all women have access to natural family planning and to condoms. And if we take 90...or, excuse me, if we take 100 couples who choose natural family planning and we follow them out for ten years--and these, again, these are appropriately motivated couples--94 of them will have an unplanned pregnancy over time. For condoms, that number is 91. You know we keep bringing up pills as a birth control method and pills are important. Pills are good. And when I say pills I also include the patch and the ring in that because the medicine is the same; it's the delivery method that's different. Now when we look at those rates, the annual women year rates, the failure rates are between 1 and 8 percent, and that's good. That's important. But on a cumulative scale, year after year, these rates and human error accumulate and if you use these rates for ten years, of 100 women, 61 will have an unplanned pregnancy. The shot is also relatively accessible and that's used for three months at a time so it only requires healthcare services four times a year. Now if that's used appropriately, 46 out of 100 will get pregnant over a year...over ten years. Again, we have the ability to do better. We can and we should. So of the IUDs and implants, these are our long-acting, reversible contraceptives, or LARCs. Paragard is the one that we talk about or that I'll talk about next. It doesn't have any hormones in it so it can't affect a woman's hair, weight, mood, skin, sex drive. It is hormone free. That also makes it the only available option for...only reversible, effective option for women with certain medical conditions. We've talked about the pill. That's the one that most...that is most likely to have contraindications. The Paragard is least likely. So in women who have had blot clots, who can't have hormones because they're battling breast cancer or who have autoimmune diseases like lupus, it's her best choice and often it's her only choice. Now if she uses that for ten years, which, by the way, is how long a single device is good for, only...of 100 women, only 8 will have pregnancies. For the hormonal IUD that's 2 out of 100. And for comparison sake, sterilization, if you follow that out for ten years, five will have a pregnancy. So the hormonal IUD over time is more effective than getting your tubes tied. Now I know I need to respect time, but I do need to mention that for the implant,... [LB120]

SENATOR RIEPE: Go ahead. [LB120]

KATHERINE LESSMAN: ...if 100 women used that for ten years, and it's good for three years at a time, only 1 will have a pregnancy. So when we talk about access to care and the fight

against abortion, we have to remember what works and what is cost-effective. Thank you so much for your time. [LB120]

SENATOR RIEPE: Okay. If you have some more to add, we might get that through a question. Are there...Senator Williams. [LB120]

SENATOR WILLIAMS: Thank you, Chairman Riepe. And thank you, Doctor, for being here. At the beginning of your testimony you said something that intrigued me. You said barriers to care were more than you experienced other places. [LB120]

KATHERINE LESSMAN: Uh-huh. [LB120]

SENATOR WILLIAMS: Can you explain that? [LB120]

KATHERINE LESSMAN: No, because...now I'm not an expert in insurance. I am an expert in what I'm able to do at a given time. [LB120]

SENATOR WILLIAMS: You've got women coming to see you. [LB120]

KATHERINE LESSMAN: Right. Right. [LB120]

SENATOR WILLIAMS: What do you see as their barriers of care that are higher here than what you had experienced? [LB120]

KATHERINE LESSMAN: I know that because of the way the state had allocated its funding in access to care, if I went through...if I had a woman who wanted an IUD or an implant, I could do that same day without having to do a financial audit. Now I have to... [LB120]

SENATOR WILLIAMS: And where was that? [LB120]

KATHERINE LESSMAN: That was in eastern Washington, in Spokane. [LB120]

SENATOR WILLIAMS: Okay. [LB120]

KATHERINE LESSMAN: So now I have to send them to the financial counselor and make sure the services are covered. Now often, the financial counselor will grab...will flag that chart and

run the services first, but when that's not true or when she comes in, say, for bleeding, not for birth control, and we talk about what's important or she's like, oh, by the way, which happens all the time, we find that that is what she needs and that is what she wants. I have to send her through these hoops, and she may or may not show up again. [LB120]

SENATOR WILLIAMS: Okay. Thank you. [LB120]

SENATOR RIEPE: Okay. Thank you. Let's see if there are other questions. Seeing none, we appreciate your coming down and talking to us today. Thank you. More proponents. [LB120]

JORDAN DELMUNDO: (Exhibit 13) Good afternoon, Chairman Riepe and the Health and Human Services Committee. My name is Jordan Delmundo. I am the executive director of Nebraska AIDS Project, the only AIDS service organization in the state of Nebraska serving the entire state. We have offices in Omaha, Lincoln, Norfolk, Kearney, and Scottsbluff. Our mission is to lead the community in the fight against HIV/AIDS and its stigma through education, supportive services, and advocacy. Nebraska AIDS Project strongly supports LB120, which extends medical assistance for family planning to persons with income at or below 185 percent of the federal poverty level. People at risk for unintended pregnancy are also at risk for HIV and STI infection. Access to family planning programs give people the information and services they need to protect themselves from unintended pregnancies, HIV, and other sexually transmitted infections. At our offices across the state we often encounter individuals, especially young women, who lack medical coverage or the opportunity to access family planning services because they fall in the coverage gap and cannot afford insurance or that they do not qualify for Medicaid. These family planning programs are an important entry point to addressing HIV risk factors for women, the youth, and young men who would not seek out HIV services independent of other health services due to stigma or other barriers. Family planning programs increase access to uptake of HIV prevention information. We are in a sexually transmitted infection crisis in Douglas County, and we've been buried in it since the late '90s. In 2015, there were over 4,880 cases of STIs in Douglas County. And STIs disproportionately affect women, racial and ethnic minorities, and teenagers. These groups tend to rely heavily on family planning programs for their reproductive healthcare, like the one outlined in this bill. The access to care and education will help fight back against the STI epidemic and set individuals up for future success in their education and employment simply because they are healthy. The state plan amendment outlined in LB120 would lay the groundwork for a much healthier Nebraska by providing preventative medical services, education, and outreach to low-income individuals. We as a state stand to benefit. We will encounter fewer future medical costs and support a healthier population. In front of you is a common-sense opportunity to improve access to quality health services for people who need them, as well as improve the quality of life for those individuals. LB120 will provide for an indispensable and necessary component of HIV and STI prevention and treatment. I want to thank Senator Schumacher for introducing and I urge you to please advance LB120. [LB120]

SENATOR RIEPE: I have a question. [LB120]

JORDAN DELMUNDO: Yeah. [LB120]

SENATOR RIEPE: It's the...you describe the crisis in Douglas County on the STIs. It seems that it's been a crisis for some time. It's...I think of a crisis as maybe in a year, but this thing has gone on for several years in Douglas County. Are we making any progress? [LB120]

JORDAN DELMUNDO: I think...was it two testifiers before me? It was Traci who was talking about the Adolescent Health Project that just started two years ago. Is it two years now? And so that is changing some of our approaches to expand access to testing, treatment, and education and outreach that I think we didn't really have going before then. So, as anything, if we're coming out of a crisis, it takes time to see if our efforts are working. Personally, as someone who is working on the front lines, I see more and more people who are understanding of their risks. When, you know, we run a testing clinic for HIV and STIs in all our offices, and since the implementation of some of these newer programs--the Adolescent Health Project in Douglas County--more and more people who come in for testing are more aware of their risk factors and they are more, I would say, health literate when it comes to STI infections. So they are less...I would consider that they are less fearful, they are taking more control of their health. And when there's less fear, people can understand things better and make choices confidently. [LB120]

SENATOR RIEPE: If I heard you right, you said we're coming out of the crisis. Does that mean that in 12 or 18 months we can declare victory? [LB120]

JORDAN DELMUNDO: I don't know. We'll find out. Ask me in 12 or 18 months. [LB120]

SENATOR RIEPE: What's your number? [LB120]

JORDAN DELMUNDO: It's on my letter. [LB120]

SENATOR RIEPE: Okay. [LB120]

JORDAN DELMUNDO: Call me anytime. [LB120]

SENATOR RIEPE: Okay. Are there other questions? Seeing none, thank you very much. [LB120]

JORDAN DELMUNDO: Thank you very much. [LB120]

SENATOR RIEPE: More proponents. [LB120]

CHE RODRIGUEZ: (Exhibit 14) Hello and good afternoon to all. I am Che Rodriguez, C-h-e R-o-d-r-i-g-u-e-z, and a lot of what I wish to discuss has already been talked about so I'll try to keep this as brief as possible. Today I wish to talk to you all about LB120 and the potential benefits that it holds. The most essential benefit, and the one I wish to focus on today, is that LB120 could provide a goldmine of health and wellness advantages that would better the lives of Nebraskans who are often overlooked by current healthcare policies. Through the wide array of physical, mental, and sexual health security blankets it provides, many Nebraskans would be able to rest more easily knowing that they are being provided crucial support from their state. Twenty other states...28 other states, including those with similar agricultural backgrounds and socioeconomic structures, like Colorado and Wyoming, have been able to leverage funds from the federal government in the same way LB120 proposes to do so. And most of these states have seen massive economic benefits due to the expansion of a family plan. In a time of rapid economic shift countrywide, we as Nebraskans need to make sure that we all use federal dollars to the best of our abilities and for the maintenance of the well-being of all Nebraskans. For starters, LB120 seeks to allocate over $1 million over two fiscal years for the funding of the Every Woman Matters program. This program is crucial to the health of women all over the state, specifically those in rural communities. An increase of funds for this program means an increase in the number of breast cancer, cervical cancer, heart disease, and diabetes screenings for women that may not have access to these testings without the program. It is crucial that these programs continue to be funded, because heart disease and cancer are the leading causes of death in women around the United States and those afflicted with these diseases have better chances for a full recovery if these diseases are caught early. The Every Woman Matters program is especially helpful to rural communities for the women in these communities may not have readily access to the most developed cancer and cardiac treatment facilities, thus the necessity of these screenings to catch these things early is increased tenfold. We, as Nebraskans, need to make sure that these women, who make up the backbone of our state's economy, have access to the most advanced screening techniques, regardless of their financial or geographic positions. By allowing federal dollars to provide more of these screenings for more women, we not only save tax money by reducing cancer and cardiac costs, but we could potentially save the lives of women across the state and save them and their families emotional turmoil and strife from the death that very well could have been prevented if the necessary prevention and detection precautions had been carried out. Secondly, LB120 would benefit teenagers in Nebraska, specifically those who do not come from privileged backgrounds. LB120 has the potential to empower young, impoverished young people to allow them to gain independence and better their lives by giving themselves more time to develop successful careers and create a family at a time they find appropriate. LB120 would allow for STI and cancer screenings for young people who

would otherwise have to choose between a screening or other basic necessities. And subsequently, sexual empowerment and the ability to control one's own reproductive health would extend to those who previously did not have it. This kind of empowerment should not be a privilege available only to the wealthy, but a right that should extend to all Nebraskans. Additionally, LB120 covers FDA-approved family planning methods, including contraceptives. Access to contraceptives is vital to young people who come from difficult financial backgrounds. Without access to contraceptives, teenagers run the risk of unplanned pregnancy. And while many young parents lead incredibly successful lives with a pregnancy at a young age, it can be an inhibiting factor toward the parents. An unplanned pregnancy means another mouth to feed, immunization, child-care costs, not to mention the time and energy commitment it takes to raise a newborn. By giving teenagers who cannot afford contraceptives access to them, they are gifted with the ability to further their education or career and to choose a financially ample time to start a family, as opposed to the risk of running...as opposed to running the risk of an unplanned one. By allowing time for academic and vocational development, impoverished and underprivileged people can give their children more enriched and secure childhoods and this, in turn, gives Nebraskan parents and their children a chance to escape poverty and live happier, healthier, and safer lives. As a young person myself, it would bring me joy to know that my peers and I are being cared for by the state and given the chance to create meaningful and enriched existences for ourselves and our future generations. I thank you all for hearing my call to action and I hope my words have inspired us to take the initiative to allow for the development of a better, more secure tomorrow that all Nebraskans deserve. [LB120]

SENATOR RIEPE: Thank you. You're a young person. How do you come to be so smart on this subject? [LB120]

CHE RODRIGUEZ: (Laugh) Well, I'm a member of the Feminists for Change club at my school and I attended Planned Parenthood Day about a month ago and we lobbied for this bill. I did some more research and I think it's very crucial for Nebraska. [LB120]

SENATOR RIEPE: Where is your school? [LB120]

CHE RODRIGUEZ: I go to Lincoln High which is just a few blocks from here. [LB120]

SENATOR RIEPE: Okay. Thank you, very informative. [LB120]

CHE RODRIGUEZ: Thank you. [LB120]

SENATOR RIEPE: We commend you. It's nice to see young people that are engaged. [LB120]

CHE RODRIGUEZ: Thank you. I appreciate that. [LB120]

SENATOR RIEPE: Thank you. Additional...are there other questions? I'm sorry. I was so taken aback. (Laughter) Thank you, Senators. Thank you very much for being here. [LB120]

CHE RODRIGUEZ: Thank you. [LB120]

SENATOR RIEPE: Proponents, please. Welcome. [LB120]

BRYN WILLSON: Thank you. [LB120]

SENATOR RIEPE: If you'd just state your name and spell it for us, then the show is yours. [LB120]

BRYN WILLSON: (Exhibit 15) All right. My name is Bryn Willson, B-r-y-n, and Willson with two "l's." I am here today as a senior medical student at Creighton University School of Medicine and I will be starting residency this July to become an obstetrician and gynecologist, so here to speak from that perspective, not on behalf of Creighton or anything like that. So this afternoon I would like to discuss with you all the importance of allowing women to determine whether and when to have children by providing all women medically accurate information and access to all FDA-approved contraception options, as well as to dispel a few myths about contraceptive safety and efficacy. First, it's important to recognize that women spend the majority of their reproductive years wanting to avoid pregnancy. Allowing women to determine whether and when to have children is a social imperative that has numerous medical, social, and economic benefits to women, families, and our society as a whole. In a Committee Opinion article on access to contraception, the American College of Obstetricians and Gynecologists states: The benefits of contraception, which has been named as one of the ten great public health achievements of the 20th century by the Centers for Disease Control and Prevention, are widely recognized and include improved health and well-being, reduced global maternal mortality, health benefits of pregnancy spacing for maternal and child health, female engagement in the work force, the economic self-sufficiency...and economic self-sufficiency for women. The result of not providing comprehensive family planning services, including access to safe and effective contraception, is unintended pregnancies, which I know we had a question about the definition of that earlier, but that's defined as mistimed or unwanted pregnancies. So mistimed is actually something that the American College of Obstetricians and Gynecologists also refers to as short interpregnancy intervals, which is defined as less than 18 months. So that actually increases risks for mom and baby, including increasing the risk of preterm birth, low birth weight, and actually high blood pressure issues that could end in seizures for a pregnant woman, and that's again with that untimely pregnancy and that short-interval pregnancy, so that's something that a lot of OB/

GYNs discuss with their patients right after they give birth. Actually, the American College of Obstetricians and Gynecology is now recommending discussing contraception immediately postpartum to try and prevent some of these issues that come up, especially with our women that do not have much access, you know, for follow-up, whether or not they have transportation to go see an OB/GYN six weeks postpartum. That's why these conversations are really important immediately post-delivery. So we're not only talking about preventing the first pregnancy but sometimes preventing, you know, expanding these families past what these women are capable of affording and are interested in having. One of the other things that I wanted to discuss was some of the other...the consequences of unintended pregnancies. Again, I mentioned, you know, a lot of people today have talked about a lot of the consequences in terms of Nebraska specifically. But across the country there's a lot of data to support why unintended pregnancies have deleterious effects, specifically in our lower income women. Some of these include delays in initiating prenatal care, reduced likelihood of breast feeding resulting in less healthy children, maternal depression, and actually an increased risk of physical violence during such a pregnancy. Children born from unintended pregnancies can have negative consequences which also include birth defects, low birth weight, and their kids often are more likely to experience poor mental health, physical health, and have lower educational attainment, as well as more behavioral issues. The negative consequences associated with these unintended pregnancies are greatest for teen parents and their children. Teen mothers are less likely to graduate from high school or even to attain a GED. They earn on average $3,500 less per year when compared to those who delay childbearing until their 20s. Teen moms receive nearly twice as much federal aid for nearly twice as long. And additionally, early fatherhood--which we've failed to mention men in this scenario and, again, we all know it takes two to tango here--so it's also associated with lower educational attainment for lower income fathers as well. So again, I'm here today to answer any questions about the medical side of things, also as a young woman of childbearing age living here in Nebraska for a while longer. So thank you for your time and I hope we can move forward with LB120. [LB120]

SENATOR RIEPE: Do we have any questions? I have a question. [LB120]

BRYN WILLSON: Sure. [LB120]

SENATOR RIEPE: Do you...have you identified your field of specialty? And I hope you'll say family medicine. [LB120]

BRYN WILLSON: OB/GYN, so. [LB120]

SENATOR RIEPE: Okay, well, there you go. [LB120]

BRYN WILLSON: Yeah. [LB120]

SENATOR RIEPE: Okay, thank you very much. [LB120]

BRYN WILLSON: Thank you very much. [LB120]

SENATOR RIEPE: Okay. Thank you so much. Next proponent. If you'll just give us your name and spell it, please, and then begin. [LB120]

MEG MIKOLAJCZYK: (Exhibits 16 and 17) Good afternoon, Chairman Riepe and members of the HHS Committee. I'm Meg Mikolajczyk, M-e-g M-i-k-o-l-a-j-c-z-y-k, and I'm the public affairs manager with Planned Parenthood of the Heartland. I'm testifying in support of LB120 today for the reasons that you've already heard. It's a crucial opportunity for Nebraska to save millions of dollars while also making affordable preventive healthcare accessible to low-income Nebraskans. This bill is common sense and it's fiscally responsible. It reduces unintended pregnancies, STI rates across the state, and will potentially break the cycle of poverty for many families. One thing I can add is that it will also free up Title X dollars, which you've heard a little about today, which would be particularly beneficial for rural parts of the state and it would create greater capacity for those health centers to reach more patients with more services. Failing to take advantage of the bill's enormous cost savings would be bad policy. This legislative session we've spent several hours--dozens of hours, actually--talking about the need to reduce abortion in the state and I will submit to you that adopting LB120 is a far more effective way to prevent unintended pregnancy and abortion than passing a license plate bill. The typical American woman spends about 30 years of her life trying to prevent pregnancy, and that's a lot of time. By giving a woman autonomy to control if, when, and how often she becomes pregnant, LB120 ensures better health and financial outcomes for her and her child. Over time, this bill would prevent hundreds of thousands of unintended pregnancies in Nebraska, as well as the need for abortion. Unintended pregnancies are more common among less educated and lower income populations. But a woman is twice as likely to use effective and safe forms of birth control, like an IUD, if she visits a provider that receives Medicaid family planning funds. IUDs and implants are the easiest to use and the most cost-effective methods. My range is more like $500 to $900. It may depend on provider. I've heard different figures here today. But the Medicaid birth cost is almost $13,000. So Medicaid birth costs are only one factor. You've heard about STI detection, preventing the cost of adverse side effects from things like chlamydia, like pelvic inflammatory disease. The bill also seeks to increase the rate of HPV vaccination which would reduce cancers in the future for people. And we know that this expansion actually saves the state $7 for every government dollar invested, in spite of what the fiscal note suggests. I urge the committee not to be misled by that outdated and unreliable data in the fiscal note. It uses a 2008 study and there have been several studies. There's lots of footnotes in my testimony if you care to look at those

updated data sets. But Guttmacher, Kaiser, the national government, they're all using $7.09 per dollar invested. And as Senator Schumacher said, it may be even more; it may be more like $10. And certainly there are additional costs we cannot even quantify. These numbers are artificially depressed and seem to underrepresent the benefits of the bill. And as we look at other fiscal notes on nearly identical bills, like LB77 from 2015 and LB782 from 2016, there does not seem to be consistency in these fiscal notes in terms of who is covered or cost per person covered or savings for the state. Additionally, the fiscal note clings to...sorry, I lost my spot because I got off track. It underrepresents the populations served. It cuts it in a third and it doesn't actually tell us why. I include with my testimony a recent data set from Guttmacher that gives you very specific information about the Nebraska Title X program from 2016. Last year alone, we know that 24,397 women in Nebraska used these services, and there were additional men as well. So to say that only 15,000 or so people are going to use this is really underrepresenting that. Assuming that most of these Nebraskans would actually be able to qualify for Medicaid if you were to adopt LB120, those Title X dollars could move to cover things like education and outreach, helping health centers provide other types of services and actually be more sustaining. And those Medicaid dollars then could provide the service, so you'd actually be able to cover a lot more ground and do a lot more good. Planned Parenthood, of course, is a small piece of this puzzle. We serve almost eight...a little over 8,000 patients every year. Fifty percent of our patients are at or below federal poverty. So we know that there's a great need and we can't meet the need alone. And this would be really great for rural Nebraska, urban Nebraska, younger Nebraskans. Because of the Every Woman Matters, it covers people outside the range of childbearing age. And I would ask that you consider supporting this bill. [LB120]

SENATOR RIEPE: Thank you. Are there questions from the committee members? Seeing none, we do appreciate you very much. Thank you. [LB120]

MEG MIKOLAJCZYK: Is there a way I can address one thing real... [LB120]

SENATOR RIEPE: No. [LB120]

MEG MIKOLAJCZYK: No, okay. [LB120]

SENATOR RIEPE: Okay, yes. [LB120]

MEG MIKOLAJCZYK: (Laugh) I didn't know. I'm the Planned Parenthood person. You never know. [LB120]

SENATOR RIEPE: We're not that brutal. [LB120]

MEG MIKOLAJCZYK: I just...Senator Erdman is not here but I wanted...I'm the person to talk about what an elective abortion is and I just want to clear that up a little and clear up whether or not abortion services are being talked about or provided with these Medicaid dollars. They are not. We talked about the Hyde Amendment. Appointments are separate days. We keep things very separate. These dollars would simply go to people who are coming in for their HPV vaccinations or to receive the pill or to talk about, you know, their Pap smear, those pieces. There is no concern that abortion even touches this and I want to be the person who is very clear about that. This is not about abortion and it's not about Planned Parenthood, so. [LB120]

SENATOR RIEPE: Even the morning-after pill? [LB120]

MEG MIKOLAJCZYK: I don't see that that's written into the bill but I can't speak to that. And we would say that it's not an abortifacient anyway; it's not abortion, so. [LB120]

SENATOR RIEPE: Okay, just trying to get stuff on the record. [LB120]

MEG MIKOLAJCZYK: I appreciate that. Thank you. [LB120]

SENATOR RIEPE: Thank you for being here. [LB120]

MEG MIKOLAJCZYK: Thank you. [LB120]

SENATOR RIEPE: Additional proponents? How many more proponents do we have? One, two, three, four, okay. If you would just state your name, please, and spell it, and then proceed. [LB120]

SHAILANA DUNN-WALL: (Exhibit 18) Chairperson Riepe and members of the HHS Committee, my name is Shailana Dunn-Wall, S-h-a-i-l-a-n-a D-u-n-n, hyphen, W-a-l-l. I'm here to testify in support of LB120. This bill would be really beneficial to me and other Nebraskans like me. When I was in high school, I began to experience chronic pain. After countless doctor's appointments I was prescribed a birth control bill, the idea being that the hormones in the medication would decrease the amount of pain I was in. I was amazed at the difference it made. Within a month I could tell it was working. I was no longer experiencing debilitating pain which kept me home from school and work, had caused me to faint in the middle of class, which is a little embarrassing. And I was able to succeed at a level that I hadn't been able to in years. Being on birth control has given me the ability to become a contributing member of society at a level I wasn't before. Unfortunately, this life-changing prescription is very expensive. The prescription I'm on is about $200 a month. I think that it's higher than some of the other numbers that have

been quoted because there's no generic available. But I am not a doctor. I have no idea why that is. I just know that's how much I pay. So for someone like me, a student making below $12,000 a year, putting me in the Medicaid gap, that's an incredible amount of money. So there's many conditions affecting thousands of Nebraska women for whom a doctor may prescribe birth control and if these prescriptions were covered, these women would be able to have access to treatment that their doctors have determined to be the most beneficial for their medical conditions. By supporting LB120 you would be helping hundreds of women like myself afford a prescription that's essential to our well-being. Thank you. [LB120]

SENATOR RIEPE: Okay. Thank you. Are there questions from the committee? Seeing none, we appreciate you being here. Thank you very much. If those of you who intend to testify, if you'd move up to the front so we can move along, please. Welcome. Again, if you'd state your name and spell it for us, please. [LB120]

KATHLEEN UHRMACHER: (Exhibit 19) Yes. Thank you, Senator Riepe and the committee. My name is Kathleen Uhrmacher, K-a-t-h-l-e-e-n U-h-r-m-a-c-h-e-r, and I currently serve as president of the Women's Foundation of Lincoln and Lancaster County. On behalf of the Women's Foundation, I'm here to speak in support of LB120. The Women's Foundation serves Lincoln and Lancaster County with programs that advocate for women, providing education and outreach. The importance of this legislation is significant for the women in this target demographic, as well as for the state. It is vital to acknowledge that LB120's provisions would allow educational and economic stability to the women it serves. Family planning gives women the option to wait until they are financially able to care for a child and gives them the time to pursue educational and employment goals without worrying about the financial burden of an unplanned pregnancy. Research has linked state laws granting women access to family planning services to their attainment of secondary and postsecondary education. Completing education affords them better employment and, therefore, increased earning power. Since this demographic struggles with the ability to provide for themselves and their families, it is even more imperative to support them in acquiring these services. LB120 would provide for cancer screenings and prevention programs, further increasing these women's ability to maintain good health. Good health means better savings and ability to provide food, shelter, and utilities for themselves and their children, lessening the burden on the state. Adam Sonfield, Guttmacher Institute senior public policy associate and lead author of last year's report on the social and economic benefits of contraception, said, "When you support individuals and families making the right decisions for themselves, we are all better off. It all starts with educational attainment that leads to greater economic stability for women and their families." Last year, the Guttmacher Institute concluded that access to birth control significantly increases a woman's earning power and narrows the gender pay gap. Family planning programs may also be an effective way to improve children's economic resources. This bill is an investment in our communities and state providing necessary

services for women in poverty. We strongly urge you to advance this important legislation. Thank you. [LB120]

SENATOR RIEPE: Thank you. Are there questions from the committee? Seeing none, thank you very much. At this point I want to call up Director Lynch and... [LB120]

CALDER LYNCH: You can (inaudible) finish. [LB120]

SENATOR RIEPE: No, we understand you have a 5:00. We want to hear from you and so if you would. [LB120]

CALDER LYNCH: (Inaudible.) [LB120]

SENATOR RIEPE: Do you intend to testify? [LB120]

CALDER LYNCH: I do but let them finish. It's fine. [LB120]

SENATOR RIEPE: It's a once in a lifetime opportunity. (Laughter) [LB120]

CALDER LYNCH: (Inaudible.) [LB120]

SENATOR RIEPE: I'm not usually this generous. Okay. Additonal...I think we maybe have two or three more proponents. [LB120]

NANCY MEYER: (Exhibit 20) Thank you. Hello. [LB120]

SENATOR RIEPE: Please, if you'd just give us your name and... [LB120]

NANCY MEYER: My name is Nancy Meyer, N-a-n-c-y M-e-y-e-r. Good afternoon, Chairman Riepe and members of the Health and Human Services Committee. I know that this committee, the State Legislature, and all Nebraskans value independence. Self-reliance is a strong, enduring aspect of our state character and that's why I'm here to testify in favor of LB120. When I was a teenager, I was very much like your teenage children and those of everyone else. I was sexually active. Yes, sexually active teens, both male and female, do exist and we all know that they have existed for all time, and to deny or pretend that we can change it is pure folly. The ability to go to an affordable, nonjudgmental health center, Planned Parenthood, federally qualified health center, or private OB/GYN is vital for young people to control their fertility. As a teenager, I

went to Planned Parenthood for contraceptives because I was smart. I wanted to control my destiny, not be controlled by an unplanned pregnancy. I did not want to become dependent on society for welfare, food stamps, or other public assistance that might be needed to sustain a young family. I did not want to take chances with my plans to attend college and become a highly productive member of society. Health centers in our state being able to provide affordable family planning services can make the difference between a young person having control of their future or becoming an unwilling parent at too young of an age. Today, I am the proud mother of three beautiful young women, all born within marriage when I was ready. I have always been very frank with my daughters about controlling their fertility so that they can take charge of their own lives and not be dependent on others. I know this Legislature is sensitive about abortion. I am not here to promote abortion. No one is. The simple fact is that birth control prevents abortion, so anyone who is concerned about abortion can rest assured this bill will, in fact, prevent abortion; thus, you should be very much in favor of LB120. Pregnancy prevention, not pregnancy termination, is the most important benefit family planning provides because it takes away...it takes any thought of abortion out of consideration. So in this way, LB120 is a pro-life bill. There are also substantial economic reasons LB120 would be good for all Nebraskans. Unplanned pregnancies don't just cost our state in the form of lost productivity; they cost each and every one of us in a myriad of public assistance programs from medical providers to low-income assistance to child subsidies programs, which others have talked about. And I have attached a couple articles from the Guttmacher Institute dealing with this part of my reason for urging you to support the bill. I know a lot of people have referred to the Guttmacher Institute but I don't know if you have these articles. So one thing I did want to do is point out that in the article about Nebraska I highlighted an area for you. And just above that part I want to point out that it says, "The total public cost for unintended pregnancies in 2010"--this is in Nebraska--"was $376 per woman," and that is higher than the national average of $201. So I think this bill is particularly important for Nebraska. And I also want to just add a personal statement here. I have been able to avoid any unplanned pregnancy. I did graduate college. I have spent over 40 years in the work force. I've paid tens of thousands of dollars in federal and state taxes. I have never received public assistance of any kind. And I live in rural Nebraska now, rural Saunders County. I drove over an hour to get here. And I would really not be able to say any of these things about myself without this early access to contraceptive services. And I personally now would not benefit directly from this bill, so I do want you to know that I'm just here on behalf of the good of society, as I know all of you are. [LB120]

SENATOR RIEPE: Thank you. Are there questions? Thank you very much. We appreciate you being a good citizen and paying taxes. [LB120]

NANCY MEYER: Thank you. [LB120]

SENATOR RIEPE: Next proponent. Hello. If you'd just state your name and spell it, please. [LB120]

JOCELYN WU: (Exhibit 21) Hi. Good afternoon. My name is Jocelyn Wu. It's J-o-c-e-l-y-n; last name is W-u, that's two letters. Good afternoon, Senator Riepe and the committee. Like I said, my name is Jocelyn and I'm also a senior medical student who will graduate from Creighton in May. I'm speaking as a woman who has received healthcare in Nebraska and as a future OB/GYN provider on behalf of my patients. So I'm not going to be talking about unplanned pregnancy. I'm going to be talking about the preventive aspects of the bill, which you've heard about before, perhaps with a couple more statistics and cost approach. The CDC estimates that 81 percent of HPV-related cancers could be prevented by vaccination, not only to the cervix but also the anus, mouth, and throat. Most women and men will be infected with HPV in their lives, and most will never know they were infected. Currently, the two defense mechanisms we have against this virus are vaccination and cervical screening. LB120 funds vaccination and gynecologic examination for young women, and continued cancer screening for women over the age of 40 through Every Woman Matters. Though better than many states, Nebraska's HPV vaccination rates are still low compared to Tdap and meningitis. HPV series completion rates have improved from 2014 to 2015 from by 5 percent in women and 10 percent in men. We have demonstrated that we can improve access dramatically to vaccinations that prevent cancer and LB120 would continue to assist with coverage for young adults who would otherwise not be covered. A Pap smear and pelvic exam cost between $200 and $260. For early cancers, the cost of an excision procedure to remove the cancer from the cervix is anywhere from $1,700 to $2,000. In contrast, George Washington University estimated that total Medicaid costs in the fist six months of cervical cancer treatment to be anywhere between $3,800 to $45,000, depending if the cancer was local or metastatic. This did not include emergency room visits for uninsured or underinsured patients or the 4,000 deaths that result from HPV-related cancers annually. As one Nebraska DHHS presentation that I found stated: Why cut the cervix when you can give a shot? Treatment for early cervical cancer removes part of the cervix and can increase a woman's risk for preterm delivery and long-term newborn outcomes. The American Academy of Pediatrics estimated that the cost of preterm infants on average are between $15,000 and $65,000, compared to uncomplicated term newborns whose hospitalizations cost $600. LB120 supports upstream women's healthcare by preventing unnecessary emergency department use by screening and treatment, treating health issues such as chlamydia. For example, treatment of chlamydia for both men and women costs $100. Johns Hopkins found that the average cost of pelvic inflammatory disease from an untreated chlamydia infection to be $1,300 in the outpatient setting and as, on average, $9,275 in the inpatient setting per episode. This is not to mention the possible distress of infertility and further measures to attempt to conceive. LB120 supports access for all women in the state of Nebraska and exemplifies the impact of preventative care in improving overall outcomes not only by way of cancers and death, but also by eliminating/ limiting the number of emergency room visits by patients who are uninsured. I had the

opportunity to work in North Platte at the Great Plains Medical Center serving the Sandhills and other rural areas of western Nebraska. The physician I worked with had a 56-year-old patient come from the Sandhills a few months earlier who came in for fevers. She had not seen a doctor for over a decade. The mass was large and fungating and a tumor growing from the cervix. Metastases to local nodes in the liver were later discovered. Although the patient was able to receive timely referral, she succumbed to her disease in the next year. Most types of cervical cancer are slow growing, but there's a significant difference in the survival rate the earlier disease is caught. Five-year survival rate for early cervical cancer is about 93 percent and survival rates for metastatic disease are between 15 and 16 percent. The true tragedy in this case is that the patient's cervical cancer was 91 percent likely to have been prevented by vaccination and more likely to be treated if caught in years prior through routine screening once every three to five years, which is what ACOG recommends for women depending on their age bracket and risk factors. So we've heard extensively about the risk factors that rural women experience and I just wanted to draw attention that the rates are not only higher in terms of obstetric complications, but also heart disease, stroke, and suicide. There's clearly work to be done in improving access to preventative services for rural Nebraska women and I encourage you to please support LB120 to help ensure that all women and men have vaccination and screening measures accessible to continue to live well and better. Thank you so much for your time. [LB120]

SENATOR RIEPE: Thank you. I'm glad you added men to that. I was going to comment to that, or young boys. [LB120]

JOCELYN WU: Yeah, young men. [LB120]

SENATOR RIEPE: Are there questions of the committee? Okay. So thank you very much. Tell me you're going to be my family medicine. [LB120]

JOCELYN WU: No. I'm also going into OB/GYN. We do, do a lot of primary care, though, in our defense. [LB120]

SENATOR RIEPE: This hearing is going to go on and on until I find one. (Laughter) [LB120]

JOCELYN WU: Well, one will come. [LB120]

SENATOR RIEPE: Okay. Thank you very much. [LB120]

JOCELYN WU: Thank you. [LB120]

JAMES WENZ: (Exhibit 22) Good afternoon. [LB120]

SENATOR RIEPE: Thank you, sir. If you'd state your name and spell it. [LB120]

JAMES WENZ: You bet. My name is James Wenz, J-a-m-e-s W-e-n-z. I've spent the better part of my adult life as a teacher and then as an administrator in our public school systems. I have firsthand experience dealing with some courageous young women that have had to travel that extremely tough path of being both a high school student and a teenage mother. I also well understand the fiscal crisis that faces the state and empathize with you on the difficulties you face in closing the budget deficit, yet it is equally clear to me when dealing with family planning issues that the old axiom promoted by Benjamin Franklin, "An ounce of prevention is worth a pound of cure," is self-evident. According to the nonpartisan, publicly funded Brookings Institute, the women most affected by unintended or unwanted pregnancies are those that will have the most difficult time dealing with them. They are the teenaged, they are the unmarried, they are the low income, or, in many cases, they are all three. The children of these pregnancies have higher risks of health issues. They are less likely to finish high school. They have higher rates of delinquent behavior. What does that mean for us? Well, we pay for these pregnancies. We pay for them in our healthcare premiums. We pay for them in our educational budgets. We pay for them in our correctional facility budgets. According to the Guttmacher Institute, in 2010, the cost of unplanned birth funded by the state of Nebraska was almost $42 million, another $92 million kicked in by the federal government. Is there a need for LB120? Yes, there is. Is it financially responsible? Yes, it is. In fact, it is very simply a large dose of prevention which benefits Nebraskans monetarily at several different levels. However, the true bottom line is what we can save that we cannot put a price on: women's physical and emotional health. Thank you for your time. [LB120]

SENATOR RIEPE: Thank you, sir. Are there questions from the committee members? Seeing none, thank you very much. [LB120]

JAMES WENZ: Thank you. [LB120]

SENATOR RIEPE: Are there more proponents? If not, we will go to opponents. Director Lynch. Thank you. [LB120]

CALDER LYNCH: (Exhibit 23) Well, thank you, Chairman Riepe and members of the Health and Human Services Committee. My name is Calder Lynch; that's C-a-l-d-e-r L-y-n-c-h. I am the director of the Division of Medicaid and Long-Term Care in the Department of Health and Human Services. I am here to testify in opposition to LB120, focused primarily around some issues regarding the fiscal note and they mirror some of the same concerns that were shared with

this committee in a technical letter last year on a similar bill, LB782. And I'm here to repeat those concerns and provide some additional information. So as outlined in our fiscal note to the LFO, DHHS estimates that this bill would lead to an additional 15,384 Medicaid enrollees under the new family planning category at a total cost of about $1.95 million for state fiscal year '18 and $3.56 million for state fiscal year '19. To process applications for this new eligibility group, DHHS would have to hire eight additional staff members at an annual cost of $430,000. Additional one-time administrative costs will be about $100,000 for state fiscal year '18. As the department's fiscal note explains, there might be some savings to the Medicaid program by providing this coverage, but it's difficult to accurately determine these savings at this time. The savings reflected by the Legislative Fiscal Office fiscal note cites studies of family planning waivers that are nearly ten years old and it does not reflect the state plan services that will be provided for under this bill. The department feels it would not be wise to reduce the Medicaid base budget in FY '19 by the nearly $4 million estimated in the Fiscal Office's fiscal note and General Funds as it suggests as these savings are speculative and were calculated using outdated studies and, considering the state's budget situations, feel it would be imprudent for the state to count on certain savings, especially when we can certainly count on the new cost associated with this coverage group. Additionally, I would note that the authority for this program's enhanced federal match now comes from the Affordable Care Act. And while changes to this particular authority have not been contemplated as part of the repeal bills, many of the enhanced federal match provisions of the ACA are being scrutinized and revisited under the new federal administration and in other parts of the law there's certainly talk of phasing out similar enhanced match provisions. And so for these reasons, I'm here to oppose LB120. I thank you for the opportunity to testify before you today and I'm happy to answer any questions that the committee may have. And quickly I'll just clarify a couple of points that came up earlier. We do cover children in the program on CHIP to 213 percent of the federal poverty level. It was 200 percent but, based on the changes to the MAGI eligibility calculation, that was adjusted to 213. And we do cover them up until age 19, till their 19th birthday. So thank you. I'm happy to answer any questions. [LB120]

SENATOR RIEPE: Thank you, Director Lynch. Are there questions from the committee? Senator Williams, please. [LB120]

SENATOR WILLIAMS: Thank you, Chairman Riepe. And thank you, Director Lynch, for being here. And thank you for taking your time to be here and listen to a great portion of the proponent testimony, which I think helps all of us frame our long-term source of reference for doing what's right. How do you look at this situation? And help me struggle with the issue of the investment of $1 and the return of what has now been shown through the studies that we are presented with: $7.09. [LB120]

CALDER LYNCH: Um-hum. Thank you, Senator. I think that's a great question and it's exactly the question that, you know, I think we collectively have to grapple with as we look at any of a number of issues as we consider expanding programs, consider changing eligibility provisions, is, you know, what are those costs and what are those potential benefits. You know, it's difficult to forecast exactly what that looks like without knowing, you know, exactly how many folks would enroll, how many, what impact that would have on future enrollment in terms of pregnant women in the program and those costs. We do know that enrolling folks into the program would have a cost. We estimate about $160 a year per individual that would enroll and some administrative costs associated with that. You know, we do believe that there, and as noted in our fiscal note submitted, that there could be downstream savings. I do have serious concern with how quickly the Legislative Fiscal Office's fiscal note calculates and accounts for those savings in the second year, in FY '19, as part of...and having those additional savings that quickly. I think it would take longer for that to occur, but we just don't have very clear data that we can rely on to give a precise number. [LB120]

SENATOR WILLIAMS: Looking at the budget shortfall that we are all concerned with and the pressure that has been applied to all agency, including yours, and in fact maybe we've heard more from yours than any, I appreciate the fact that you didn't use the four worst words that I ever hear and that's that "we can't do that" word. What can be done? If we looked at this proactively, I believe, as Senator Schumacher is, that we have an issue here, are there things that we can do through HHS to assist in this growing problem? [LB120]

CALDER LYNCH: Thank you, Senator. I definitely do think there are and the things that we are doing and there are more things that we can do. As noted in some of the earlier testimony, and I agree it was very...I really appreciated hearing the testimony here today. I think a lot of it was very educational, informative, and certainly very important. You know, we do enroll. We have about 235,000 Nebraskans that are enrolled in the Medicaid program today, many...most of which are children. And as we are looking at addressing improvements in quality in the programs that we have, improvements in outcome, there is a particular emphasis on adolescent health. And so looking particularly at those, at kids that are, you know, beginning to age out of the program, trying to ensure that they're coming in for their well child visits or well adolescent visits in those later teen years is really important. That's when we see a tremendous amount of drop-off in terms of the percentage of those kids that are coming in for those annual well visits. You know, you're no longer having to hit those immunization registries for schools, no longer necessarily having to do those sports physicals, so you just don't get them in the office as much. So as we develop our performance metrics for our health plans and set quality metric targets in our programs, those are areas we can look at of trying to get them in there. I mean we've got some for this year. We're doing a performance metric around Tdap vaccinations, particularly in adolescents, and trying to get them in for those types of visits. And there's a lot of things you can do when you have that contact with the healthcare provider, including discussions around some

of these issues around family planning. So I think, you know, really what I'd like to focus on and do focus on is how we can improve the services we provide for the eligibles that we have in the program today and try to address some of these challenges particular in our adolescents. There's also a number of programs in my sister division, in Public Health. We heard some of that discussion today with Title X and looking how to improve their reach into the community. And I don't want to speak for them, but I know they could probably come and share a lot about some of their efforts that they're doing to try to improve their impact. [LB120]

SENATOR WILLIAMS: Thank you, Director. [LB120]

CALDER LYNCH: Thank you. [LB120]

SENATOR RIEPE: Any other? Senator Linehan. [LB120]

SENATOR LINEHAN: Go ahead. [LB120]

SENATOR CRAWFORD: No, go ahead. Go ahead. [LB120]

SENATOR LINEHAN: Thank you, Chairman Riepe. And thank you, Director, for being here. So going back, can you answer the question, 44 percent of children born in Nebraska were born on Medicaid, does that sound right? [LB120]

CALDER LYNCH: That does sound right. [LB120]

SENATOR LINEHAN: And that, is that because it's up to the 213 percent if the mom is...how does that work? [LB120]

CALDER LYNCH: So for pregnant women, they're eligible up to 194 percent of the federal poverty level, so almost the same but a little bit less. That's about $24,000 a year for an individual or $48,000 a year for a family of four. The eligibility for the family planning program would mirror that income level under the federal regulations. States are required, if they do adopt these programs, to mirror the eligibility level of their pregnant women eligibility. So that's how that would work so that...yeah, go ahead. [LB120]

SENATOR LINEHAN: Okay, I'm sorry. So how long...the pregnant woman goes off. She goes off that the day after the baby is born? [LB120]

CALDER LYNCH: Pregnant women, eligible through our pregnant women category, have 60 days of postpartum coverage. So they do have two months of coverage after the baby is born. [LB120]

SENATOR LINEHAN: Okay, that helps with that very much. Thank you. Now on the seniors, going back to having them...the All Women Matter (sic). So at 65 you're on Medicare but it doesn't pay for everything, so does Medicaid pick up? Can you give me those numbers where... [LB120]

CALDER LYNCH: Yes. So for individuals who are over 65, you know, obviously, their first primary coverage would be Medicare. For low-income seniors, they could qualify for additional support from the state, you know, including enrollment where Medicaid pays their copayments and their premiums. Or in some cases, if they qualify for long-term care services, Medicaid would pay for those long-term care services like nursing facility services. So in general Medicaid would pick up what Medicare doesn't, as long as it's a Medicaid-covered service, but that would depend somewhat on what category of assistance they qualify for, which would depend upon their income and assets, etcetera, and if they have a disability. [LB120]

SENATOR LINEHAN: So that's a whole bunch of charts, right,... [LB120]

CALDER LYNCH: Yeah, yes. [LB120]

SENATOR LINEHAN: ...I can probably look at on-line. [LB120]

CALDER LYNCH: And I'm happy to share additional. [LB120]

SENATOR LINEHAN: Okay, thank you very much. [LB120]

CALDER LYNCH: Absolutely. [LB120]

SENATOR LINEHAN: All right. [LB120]

SENATOR RIEPE: Senator Crawford. [LB120]

SENATOR CRAWFORD: Thank you. Thank you, Chairman Riepe. And thank you, Director. I really do appreciate you being here and being here to answer questions and hear the testimony. So we're talking just...we have I think...so 44 percent of births paid by Medicaid in the state. So

when that's happening, those enrollment costs for bringing those women on to the program are happening. I mean I think you're concerned about enrollment costs. Right. So in this case then, instead, we might be enrolling a group of people before but then we get them on contraception instead of then paying for a birth, so. And isn't it true that the cost for contraception is much lower than the cost for the birth? [LB120]

CALDER LYNCH: Yes, that is true. [LB120]

SENATOR CRAWFORD: And women who are...have not...are not pregnant yet could not get on to Medicaid for those contraceptive services if...right now, just because they're low income, if they're not disabled or meeting other criteria, they couldn't really get on to get those services to prevent that birth at this time. [LB120]

CALDER LYNCH: Not through Medicaid. [LB120]

SENATOR CRAWFORD: Right, right. So Medicaid is our main tool other than Title X. [LB120]

CALDER LYNCH: I wouldn't...I would...Title X and I would note that, and certainly it doesn't address the entire population, under this program we would be required to expand to the 194 for the family planning program. Women over 100 percent of FPL, you know, currently would qualify for subsidies for full coverage through the marketplace as an option, you know, but those...but otherwise they'd have to be categorically eligible for Medicaid, so a low-income parent, pregnant woman, or have a disability, so, yes. [LB120]

SENATOR CRAWFORD: And I know you indicate some uncertainty about the match going into the future, but at this point it would be the case the state would get a higher reimbursement if they were in this program than we currently would get for some of those same services, and wouldn't that fit into some of our state savings as well? [LB120]

CALDER LYNCH: So the cost of coverage through the family planning program will be matched under current law at 90 percent federal and 10 percent state. Our traditional, our normal Medicaid match rate for pregnant women category is our 52/48, you know, match where the state is putting up about half. [LB120]

SENATOR CRAWFORD: And so do I understand that one of your key concerns is the concern about what we expect the cost savings to be and you're concerned about that impacting the

budget projections; you're concerned we're promising ahead of time how much we're going to save and you're worried about that calculation, that projection? [LB120]

CALDER LYNCH: Thank you, Senator. I think that that's fair. I think, you know, it's...and it's not to knock the work that the LFO does. Much of their estimates come from the data that we supported. This is just one of those things that's difficult to forecast and estimate in terms of, you know, how many folks would enroll, therefore, how many, you know, pregnancies would that prevent and those cost savings. My concern, you know, primarily, is, you know, accounting for savings so quickly in the second year of the program and at such a significant level that when you, you know, set out the $500,000 that was appropriated to Every Woman Matters, it's about a $4 million, you know, savings being forecasted for Medicaid, you know, and if you were to reduce that funding from our budget and that didn't materialize, that would obviously create some concerns because we would certainly still have the cost associated with administering the program and providing the family planning coverage. [LB120]

SENATOR CRAWFORD: Right. So the prevention of a birth, though, happens pretty quickly, could happen quickly, yes. [LB120]

CALDER LYNCH: It could, I mean, those are...obviously that's a window of less than a year,... [LB120]

SENATOR CRAWFORD: Right. [LB120]

CALDER LYNCH: ...you know, potentially, although we think it would take time for the program to get up and running. There are systems changes that would have to occur, contract changes, development of rates, you know, outreach to...you know, if there's funding for outreach, which I don't think is currently contemplated, you know, how quickly would folks know about it, enroll in the program, and be able to access services, you know, getting providers prepared to be able to bill and provide services. Some of that would take time. [LB120]

SENATOR CRAWFORD: So is this something that we could have assistance from other Medicaid directors in other states who have put a similar program in place? I mean surely...I don't recall if that was discussed in the fiscal note or not in terms of other states that have put this in place and what they've seen in terms of savings so that we are...we have some basis of experience from other states to also use in the projection. [LB120]

CALDER LYNCH: I do think that that's some of the data that we used. What's challenging a bit is that this program started as a waiver program for many years where states could opt in through

an 1115 waiver, which we've had some conversation about in this committee, and primarily focus again on women and those eligibility categories. Under the ACA states have the option to convert or, if they hadn't, you know, started one, to start the program as a state plan option, and that is a fundamentally different set of coverage services. It has to include men, for example, and states, you know, need to include some additional services around, for instance, STD screening and treatment. And so there's less dated information available at this juncture, since that's still a relatively new option that states have opted into, that I think warrants some further study but certainly can reach out to some of those states that have done that, that state plan option. [LB120]

SENATOR CRAWFORD: Excellent. And I appreciate your concern then about some of those additional services that are covered in this plan amendment. [LB120]

CALDER LYNCH: Absolutely. [LB120]

SENATOR CRAWFORD: All right. [LB120]

CALDER LYNCH: All right? [LB120]

SENATOR CRAWFORD: Thank you. [LB120]

CALDER LYNCH: Thank you. [LB120]

SENATOR CRAWFORD: Thank you. I appreciate that. [LB120]

SENATOR RIEPE: Senator Williams. [LB120]

SENATOR WILLIAMS: Thank you, Chairman Riepe. And I'd like to follow up on something that I picked up in your answers to Senator Crawford. So one of your main concerns is the timing of the savings--I will call it that--that that might be delayed longer than the fiscal note is looking at. But I think I also heard you say that you think the rollout would be slower too. So if the timing coming back is slower and the rollout is slower, don't we still sort of match? [LB120]

CALDER LYNCH: Um-hum. That's a great question. I think, you know, there are some up-front costs that, regardless of how quickly... [LB120]

SENATOR WILLIAMS: Right. [LB120]

CALDER LYNCH: ...it takes to roll out, you know, the system changes that would be necessary, you know, we'd have to estimate how many staff we'd have to bring on to be able to process the applications on a best guess in terms of what we think that take-up rate would be. And the spending would obviously occur in terms of the aid cost based on the actual enrollment. So those will potentially balance out to some degree, although that's up front. What the other question mark I, you know, have as the unknown is folks in rural--you know, how many of the folks that would enroll in this program weren't accessing family planning services prior to this and maybe they were paying out of pocket or had another funding source through Title X. You know, we heard some testimony that this would reduce the reliance on Title X and free up some of those dollars, so, and how many are maybe newly accessing or newly accessing a different form of contraception. And those are some of the things I don't think we know at this point. [LB120]

SENATOR WILLIAMS: And my one final question then, because our conversation with you on the questions has all dealt with the financial portion of this, can I make the assumption from that that the process, the issue that we're trying to address, is real, it's there, and our concern is the money to fix it, not that we can't improve on this situation? Is that a fair statement? [LB120]

CALDER LYNCH: If I may, I'd like to qualify it a little bit. [LB120]

SENATOR WILLIAMS: Yeah. [LB120]

CALDER LYNCH: I think certainly I would agree with you that everyone that I, you know, work with and around recognizes that, you know, reducing teen pregnancy, reducing unintended pregnancy, are all, you know, policy goals that we support. I think some of the questions that, you know, this body and together with the, you know, executive branch has to grapple with are, you know, what are the roles of specific programs and functions in that effort and, you know, what are we going to pay for versus, you know, using other forms to support; what's the role of Medicaid in that? You know, my goal as the Medicaid Director is to administer the program that we have as efficiently and effectively as possible, and we'll do that under the direction of the Legislature and under the direction of the Governor as best we can. But I do think that there are some questions about, you know, the role of the program and addressing this issue particularly that need to be dealt with, you know, in the discussions that we're having here. [LB120]

SENATOR WILLIAMS: That's a fair answer. Thank you. [LB120]

CALDER LYNCH: All right. Thank you. [LB120]

SENATOR RIEPE: Senator Linehan. [LB120]

SENATOR LINEHAN: Thank you, Mr. Chairman. And I'm not going to ask this...Director, I probably am going to not ask this question correctly so hopefully you can figure out what I'm trying to get at. So of all the people that...we have the teenagers under 19, other people under Title X, people who have birth control available to them if they go and take the...how many children are born in that group? They had...do we have any idea? They could if they had, were so motivated to, or they planned ahead. Especially teenagers, I know teenagers like, well, that's not going to happen, I'm not going to, and then it does. But do we have any idea how many children are born in that group out of the 44 percent of the babies that are not planned? [LB120]

CALDER LYNCH: Senator, I definitely think we could pull data that relates to the number of births by members within a certain age category and make some assumptions that they would have been eligible for Medicaid, whether they were enrolled or not, prior to becoming pregnant. So, now, how many could have accessed Title X services, I don't know if we could pull that. [LB120]

SENATOR LINEHAN: That's harder. [LB120]

CALDER LYNCH: But I can certainly pull the data on the Medicaid births for you. [LB120]

SENATOR LINEHAN: Okay. That would be helpful. Thank you very much. [LB120]

CALDER LYNCH: Absolutely. [LB120]

SENATOR RIEPE: Additional questions? Seeing...oh, go ahead, Senator Kolterman. [LB120]

SENATOR KOLTERMAN: Yeah, I just have one. [LB120]

CALDER LYNCH: Sorry, I've had my back to you this whole time. Sorry, Senator Kolterman. [LB120]

SENATOR KOLTERMAN: No, that's all right. Thank you, Senator Riepe. Director Lynch, this is the third time we've heard this bill in some format or another--thank you, Senator Schumacher. Correct me if I'm wrong, but we currently are doing some Every Woman Matters. We're being funded for some of that. So all we'd be really doing here is expanding that funding, is that not correct? [LB120]

CALDER LYNCH: Senator, if I may, and I'm not an expert on the Every Woman Matters program, which is administered, I believe, through the Division of Public Health and it's a different sort of pool of funding from the federal level and it's got different rules around how it is used, but it is used to support, you know, family planning services, you know, for low-income individuals who might not otherwise have access and those grants that are provided through clinics to provide those types of services. And I think we did hear some testimony about how coverage through Medicaid would potentially free up those dollars to be able to be redeployed in other ways. So, yes, some of the folks who would be enrolling could, perhaps, have accessed services through Title X but I can't speak to the intricacies of that program. [LB120]

SENATOR KOLTERMAN: Okay, thank you. [LB120]

CALDER LYNCH: Absolutely. [LB120]

SENATOR RIEPE: Okay. Are there other questions? You're sitting over there in (inaudible) so we about missed you,... [LB120]

SENATOR KOLTERMAN: I'm used to that. [LB120]

SENATOR RIEPE: ...or I did. Thank you so much for being here. As usual, you're very informative and we appreciate your knowledge base. [LB120]

CALDER LYNCH: Thank you, Senators. I appreciate it. Have a good evening. [LB120]

SENATOR RIEPE: Okay. Thank you. Are there additional opponents, anyone in opposition? Okay, please come forward. If you would be so kind as to state your name and spell it. [LB120]

TERESA KENNEY: (Exhibit 24) My name is Teresa Kenney, T-e-r-e-s-a K-e-n-n-e-y. [LB120]

SENATOR RIEPE: Thank you. [LB120]

TERESA KENNEY: I've been a women's health nurse practitioner for about 17 years here in Omaha, Nebraska. I work for two different ambulatory clinics. And first off, I want to state I'm not opposed to the Every Woman Matters portion of the bill. I am an Every Woman Matters provider actually. I'd like to see that program actually expanded and revised so that there is better access to that program, because it does offer healthcare needs to women in a particular age group that would not otherwise have it. I'd also like to state, you know, I am a Christian, I am a

Catholic, so there's one thing that separates sometimes me as a healthcare provider from OB/GYNs and other healthcare providers and that's in terms of when we use this word "abortifacient" and we're talking about different contraceptives and whether they can cause an abortion. As you heard one of the other OB/GYNs say that contraception do not cause abortion, and that is dependent upon what your definition of human life is and what your definition of pregnancy is. The American College of Obstetricians and Gynecologists in around 1965 changed actually the definition of pregnancy. Before that, all embryologists and OB/GYNs believed that human life happened at conception, that pregnancy began at conception, which happens when the sperm and the egg unite, and the new human being is formed and the new, you know, DNA of that unique individual begins. And then they're on their course of existence and on a continuum of life thereafter. In 1965, the American College of Obstetricians and Gynecologists changed the definition to implantation. Implantation can happen anywhere from six to ten days after conception occurs. So when we're talking about hormonal contraceptives, all hormonal contraceptives have the potential, and it's written on every package insert of a birth control pill, of the patches, of the shots, that they work in three different ways. They work mostly by preventing ovulation. They also can change cervical mucus so that makes it harder for sperm to travel up to meet the egg to cause conception. And the third mechanism of action is that they make the lining of the uterus very thin or hostile, basically, to a new life to be able to implant inside the uterus. So for me, and for many others who hold the value that human life begins at conception, that's a big problem because you have many of those then lives that are lost when those people use those contraceptives. And most women aren't told that. They're told that, you know, this doesn't cause an abortion because pregnancy...and they can say that very readily because they believe pregnancy begins at implantation. So I just want to...that frames kind of where I'm coming from in terms of talking about contraceptives. It's also been the hypothesis that basically increasing access to contraception will reduce unintended pregnancies and abortion, and the data is mixed on that, and it depends on kind of where you're looking at. And I've looked at the Guttmacher institute. I've looked at the Kaiser Institute. And most of the time, when they're looking at that data, they use words like "plausible," "probably," and "might," meaning that they can move the data to say that it probably is likely in their opinion that the decrease in abortion rates, the decrease in unplanned pregnancy rates are due to increased access to contraception, but they're not for sure about it. So again, it's somewhat of a mixed pool in terms of that. My biggest thing is that contraceptives aren't always effective. It's also not really likely to be effective in a younger age population. The 15 to age 24 group that we are talking about that we really want to focus on, they largely use contraceptives ineffectively. There is a big push to try to use the more effective means or the LARCs. Unfortunately, teenagers don't really want to use those. The IUDs are painful to have inserted. It's a T-shaped, you know, foreign device placed inside that 15-year-old girl's body. It's not a real pleasing thing for a young girl to have to go through. So mostly they rely on birth control pills and condoms. And I would like to say that sexually transmitted diseases, in order to actually prevent them, and we know that we've got the largest rate of chlamydia over the past five years--we've already talked about that--you

have to use birth control, not only the pill or the patch or whatever it is, 100 percent effectively, but you would also have to use a condom each time to actually prevent an STD since we know that hormonal contraceptives/IUDs do not actually prevent STDs; in fact, they increase the rate of STDs in many women because of the way the birth control pills changes the cervix. So I'm in opposition to LB120, again, from the contraceptive standpoint, and my concern is that it actually doesn't help our teenagers. I'd be more in support of actually funding programs the reduce poverty, sexual avoidance, risk factors, and helping men, women, and families grow their families in a healthy way. Thank you and I'd take any questions. [LB120]

SENATOR RIEPE: Thank you very much here. [LB120]

TERESA KENNEY: And I didn't really stay to my script, so you can read that later I guess. [LB120]

SENATOR RIEPE: Okay, thank you. Are there questions? Okay, seeing...oh, yes, Senator Crawford. [LB120]

SENATOR CRAWFORD: Thank you for being here. And in your practice, do you provide counseling then on natural family planning and do you provide counseling on the long-acting "contraceptions" that aren't hormonal like... [LB120]

TERESA KENNEY: Right. So I do provide counseling for family planning. And it was mentioned earlier that all women have access to natural family planning. That's not actually true. I think there's some sort of a belief that everybody...you know, the medical community is...the data that they use is basically based on the rhythm method that was...studies were done back in the '60s, '70s, and '80s. We have such better fertility awareness-based methods that are scientifically proven now--and I've referenced some of those in my document there--98.6 to 99 percent effective at avoiding pregnancy. Fertility awareness-based methods are those commonly referred to as natural family planning, but not everybody has access to that because that takes a lot of education and in terms of knowing the woman's body and knowing the cycle and for a couple to use that effectively. And that is what I offer because it works very effectively and, you know, it also is healthy and it doesn't have the risks that are associated with birth control products. [LB120]

SENATOR CRAWFORD: And does Medicaid cover that form of counseling with your patient, and education? [LB120]

TERESA KENNEY: That...I do not believe Medicaid covers counseling for natural family planning. Is that what you're asking? [LB120]

SENATOR CRAWFORD: Right. It was my understanding that it did, so we can check on that. [LB120]

TERESA KENNEY: Yeah. So, I mean, I knew that there were some private insurance companies that do provide counseling for...well, I shouldn't say. I mean, maybe they do provide the counseling for it but actually maybe implementing the classes and the teaching, I'm not sure if they reimburse for that. I do think there is an ICD code for natural procreative counseling that we can use for those counseling sessions. [LB120]

SENATOR CRAWFORD: Yes. So I believe Medicaid covers natural family planning as one of the options is my understanding. So people could get into this program, could do that, and be able to have that discussion with their doctor or their practitioner if that's the type of family planning that they wanted to pursue. [LB120]

TERESA KENNEY: Absolutely. [LB120]

SENATOR CRAWFORD: Thank you. [LB120]

SENATOR RIEPE: Senator Williams. [LB120]

SENATOR WILLIAMS: Thank you, Chairman Riepe. And thank you for being here. I think your testimony was--correct me if I'm wrong--that birth control pills and condoms are not a very effective way of preventing pregnancy in young teenager...I think you said that 16 to 24, whatever that category is, because they're not generally used correctly. [LB120]

TERESA KENNEY: Correctly. [LB120]

SENATOR WILLIAMS: Is that true? [LB120]

TERESA KENNEY: Um-hum. [LB120]

SENATOR WILLIAMS: Would natural family planning techniques that you would offer be more successfully used by that age group? [LB120]

TERESA KENNEY: You know, I'd love to see...there's a program internationally called TeenSTAR that was developed that showed that it reduced pregnancy rates and STD rates by using a natural fertility awareness based method. In the practice that I practice in, most of the people that are using those systems are either using it as married couples or they're using it for health monitoring and care. So I treat people using the charting system as a gynecological tool basically. So... [LB120]

SENATOR WILLIAMS: That's my concern that we're comparing apples and oranges here. [LB120]

TERESA KENNEY: Right. [LB120]

SENATOR WILLIAMS: And sometimes there's Homecoming night that doesn't fit. [LB120]

TERESA KENNEY: Right. [LB120]

SENATOR WILLIAMS: Thank you. [LB120]

TERESA KENNEY: Absolutely. [LB120]

SENATOR RIEPE: Okay. Any other questions? [LB120]

TERESA KENNEY: Thank you. [LB120]

SENATOR RIEPE: Seeing none, thank you very much. Thank you. Any additional opponents? [LB120]

LLOYD PIERRE, JR.: Good afternoon, Senators. My name is Dr. Lloyd A. Pierre, Jr. I'm from Bellevue, Nebraska, and I practice in Omaha, Nebraska. And for full disclosure, I actually work with that young lady that you all just spoke to. So the details that she's given you already, I submit those as, you know, more evidence for my opposition. I really need to talk to you about my personal experiences with people around the world, coming from the standpoint of being a flight surgeon in the Air Force and being deployed to several places around the world and seeing patients who have been exposed to birth control pills, Depo-Provera injectables, etcetera, that actually lead to those comorbidities that we don't think about when we talk about these bills because we think we're actually helping these people, we're giving more access to care. But there's some unintended consequences that we don't know about because we don't see them that

often here in the United States, but I've seen them around the world. When I was in...I just don't have enough time to explain all those details, but the basic one, the last one... [LB120]

SENATOR RIEPE: Doctor, could I interrupt you... [LB120]

LLOYD PIERRE, JR.: Yes, go ahead. [LB120]

SENATOR RIEPE: ...and ask you to spell your name, please. (Inaudible). [LB120]

LLOYD PIERRE, JR.: Oh, that's right. Lloyd, L-l-o-y-d. [LB120]

SENATOR RIEPE: Thank you. [LB120]

LLOYD PIERRE, JR.: Pierre, P-i-e-r-r-e, Jr. [LB120]

SENATOR RIEPE: Okay, thank you. I'm sorry to interrupt. [LB120]

LLOYD PIERRE, JR.: Sorry about that. On my mission trip to Guatemala...and let me explain Guatemala very quickly. Planned Parenthood, as you know, has exported their services around the world in certain areas--and by the way, at taxpayer expense--in that they've gone into the...way up into the mountains where I went to, to see several patients and take care of people to provide birth control pills and injectables to patients for whatever reason because some of these ladies who were on these medications, by the way, were already past...they were postmenopausal. And the comorbidities that I found were headaches, heart problems, heart disease. I can't tell you whether or not I found blood clots, but I suspect and I know that that's conjecture on my part, that those rates are actually...were actually increased because they were given birth control products that were really not appropriate to them. And they didn't really quite understand exactly how they work and their follow-up care was pitiful at best. If we, and I use that as an example because my concern, especially if we enact a law based on this bill in the United States, if we don't have a program that monitors the use of any contraceptive device, we could actually run into the same problems that I'm seeing around the world. And now I'm going to cut over to that prom night, football game, etcetera. There are other ways to avoid having your 15-year-old become pregnant on prom night. You guys know what they are. I recommend that we start looking at programs that address that versus giving them a pill at a young age when it actually in the long run will lead to cancer that other people have spoken about that now has decreased their life span and has actually caused a premature death in an older person that could have been avoided by avoiding exposing them to certain drugs at a young age. So bottom line what I'm saying is exposing children, teenagers to a medication that's a potent drug--remember,

when we take a birth control pill, we are giving a person a huge dose of a hormone that's way beyond the normal amounts that you normally have in your own body. You have to imagine what that really does to your body, especially at a young age and over years of doing that, what it can do. So that's an unintended consequence that we really need to look at and consider when we look at bills like this that are going to expand the amount of people that are exposed to these medications. With that, I end my conversation with you and I thank you for your time. [LB120]

SENATOR RIEPE: Thank you very much. We'll see--are there any questions? Are you a family medicine doctor? [LB120]

LLOYD PIERRE, JR.: I am a family medicine doctor. And I think I might have told you that once before, Senator. I'm a family medicine doctor in Omaha, Nebraska. I was a flight surgeon in the Air Force, got out of the Air Force, became a family or actually became a family medicine doctor while I was in the Air Force after a small stint in general surgery. And then now I'm practicing as a family medicine doctor with some wonderful people who provide very good, by the way, natural family training to patients. Oh, that's what I wanted to talk to you about real quick. If you think about this, if we covered those services for natural family planning and started that at a young age for these girls and make them really understand how their body really works, they would be better prepared to deal with the responsibilities of a pregnancy hopefully, you know, with a stable partner. And, of course, I would prefer if they were married because that actually leads to a better healthy family, by the way. And studies have shown over and over and over again that those types of families do better in the long run and in the long run will decrease your costs, the cost to the state. Now I can't say exactly what the numbers are. I don't have those in front of me. But I know that in the long run you're going to have less comorbidity and less people in a hospital dealing with the side effects caused by the unopposed exposure to large doses of estrogen, progesterone, etcetera. [LB120]

SENATOR RIEPE: Very good. I think you will probably recall you and I had a discussion about direct primary care... [LB120]

LLOYD PIERRE, JR.: Absolutely. [LB120]

SENATOR RIEPE: ...at your office. [LB120]

LLOYD PIERRE, JR.: Yes, sir. [LB120]

SENATOR RIEPE: Thank you, sir. [LB120]

LLOYD PIERRE, JR.: You guys are all welcome to come by and see how we do business and how people who really understand their bodies and understand medical care delivered properly actually benefit. Thank you for your time. [LB120]

SENATOR RIEPE: Thank you, sir. Any more opponents? Tom, if you will state your name and spell it. [LB120]

TOM VENZOR: (Exhibit 25) Hopefully I can spell it right. Chairman Riepe and members of the HHS Committee, my name is Tom Venzor, that's T-o-m V-e-n-z-o-r. I'm the executive director of the Nebraska Catholic Conference. And the Nebraska Catholic Conference represents the mutual public policy interests of our three Catholic bishops serving here in Nebraska. And the NCC opposes LB120 because of the expansion of Medicaid family planning services pose a significant moral, social, and health implications. And we also believe that there are serious flaws in the primary arguments propelling it. Notably, we do not oppose the additional funds provided for the Every Woman Matters program that is proposed in this bill. And the first part of my testimony was going to be something that was already covered by Ms. Kenney on the issue of the abortifacient. And I guess, you know, I heard a lot of people in this hearing previously, proponents, you know, arguing that this is a pro-life piece of legislation; and that's just simply not the case when you have issues where you'd be providing contraceptive services and things like the morning after pill, week after pill, other sorts of hormonal contraceptives that are abortifacient and can be hostile to unborn life in the womb beginning at the moment of conception. And so, you know, I kind of just restate what Ms. Kenney had stated already. And she's obviously more expert on that than I would be. But I just wanted to reiterate that in light of some of the statements that have been made already. And then I kind of want to go down about three-fourths of the way down there. We also believe that the cost savings argument behind this bill is deeply flawed. It asserts that if Nebraska expands government funding for contraception, two results will occur. First, more women in the target population will use contraception. Second, as a result of the increased contraceptive use, fewer pregnancies will occur in the target population, resulting in a cost savings to our state by reducing prenatal delivery and postnatal costs that would otherwise be paid for by Medicaid. The first assertion that more women in the target population will use contraception is undermined by the studies showing that cost plays a small role in women's decisions about contraception. For example, a Guttmacher Institute study of sexually active women found that around 13 percent cited access problems, which includes high cost, as their reason for not using contraception. Overall, the study found that 12 percent cited access problems and, of that, only 8 percent specifically had problems because of financial circumstances. Another study by the Centers for Disease Control measuring contraceptive use in the U.S. found that among the 38 percent of women who were not "contracepting," 9 percent were pregnant, postpartum, or seeking pregnancy; 19 percent had not had sex ever or in the last three months; and only 10 percent cited other reasons for nonuse of contraception. Similarly, another CDC study of 5,000 teenage girls who gave birth after unplanned pregnancies found that

only 13 percent had trouble accessing birth control. So to recap that argument, access to contraception is not an issue of financial barriers and this holds true for those also living in impoverished situations. Instead, upon further review of the literature, women are forgoing or rejecting contraception for other reasons, for example, concerns about the contraceptive method or ambivalence about contraception. This throws into question the basic premise Senator Schumacher is proposing which is that those in the Medicaid gap need contraceptive services provided through government intervention. And then the second assertion that more contraceptive use in the target population will lead to fewer pregnancies and cost savings is undermined by the studies that have been referenced in this and previous fiscal notes on the issue. And so I'm just going to kind of put that argument in a nutshell is that these studies are I guess based on a lot of assumptions and a lot of modeling and a lot of data. And it's not ultimately being based on, you know, empirical-based data. And so it, for example, I think even the study that was cited in the fiscal note by the Department of Health and Human Services, I mean, you're looking at eight pages of assumptions and modeling, you know, for them to get to the numbers that they're getting to. So, again, just the nature of statistics and data, I mean, I know some people said that it's sound but I'm sure there's going to be a lot of issues here with assumptions that are being made about the data. And also in some of the studies it hasn't been showed that there actually has been cost savings in all of the states that have utilized it, and I make reference to that in some of my footnotes in there. So and then there's also meaningful data to support the claims that free contraception causes improved women's health. No one has demonstrated any causal link between either greater access to contraception and fewer unintended pregnancies and abortions. And so I think that's an issue too. And then finally what I wanted to point out was a couple things and I think this comes a little bit...I'm going to poke the bear here with Senator Schumacher behind me, but he made assertions to kind of ideological opponents earlier in his argument; and I'm maybe going to safely assume here that the Catholic Conference is part of that. And I guess I'm not really comfortable with argumentation being made kind of ad hominem. You know, when you're making assertions that the other side is just ideological, that's a conclusion. It's not an argument. And I guess I would submit that the arguments being made here aren't, you know, doctrinal or dogmatic. They're going to be scientific. They're going to be rational. They're accessible to anybody. And I think that's an important argument that needs to be made in light of Senator Schumacher's claim that, you know, it's being driven by ideology or dogma or whatever that may be. And then also finally just if I can make this last point here, I think there's a little bit of an underlying problem that I kind of hear in Senator Schumacher's opening, too, and he asserted this last year. And it's something along the lines of, you know, we're going to be dealing with difficult fiscal constraints now and in the future with the baby boomer generation and so we need to be thinking about being fiscally responsible. And one of those ways is we need to find ways to get people off of welfare. And so now we have a subset of individuals who are on welfare and basically let's keep them from having children. And I just...the undertones of that are very "consequentialist." It's gauging the good or bad of an action based on the consequences and the economic outcome. And so I just

really...I think the undertones of that just go...strike at the dignity of the human person in terms of let's keep the poor basically from having kids because they cost the state a lot of money. I think there's an issue there kind of with that underlying premise. But I just want to state that and, of course, I'm sure Senator Schumacher will respond to that and that's part of the free dialogue of this committee. But I just wanted to make that argument as well so. [LB120]

SENATOR RIEPE: Thank you, Tom. [LB120]

TOM VENZOR: Otherwise I'm happy to take questions. [LB120]

SENATOR RIEPE: Are there questions from the committee? Thank you. We appreciate your testimony. Are there...Senator Williams. [LB120]

TOM VENZOR: He's laughing. I don't know (inaudible). [LB120]

SENATOR WILLIAMS: I can't resist. Thank you, Chairman Riepe. [LB120]

SENATOR RIEPE: A lawyer, third lawyer in this (inaudible). [LB120]

SENATOR WILLIAMS: And you know how strongly I appreciate the Catholic Conference and your work. And I do think there is an ideologic portion to this personally. And you may have poked more than one bear with that statement. [LB120]

TOM VENZOR: Yeah, um-hum. [LB120]

SENATOR WILLIAMS: I'm going to ask this question because it would not be fair for me not to ask this question because if Senator Schumacher was sitting here he would ask you this question. One of the great inputs and one of the most important things that we're dealing with underlying this whole thing is poverty and the incidence of how poverty affects teen pregnancy, unwanted pregnancies, and all of that. And I know there is not an organization that I know of that cares more about helping with poverty than the Catholic Conference. You heard Director Lynch talk about the timing of the money in this thing. And if we get over this argument about contraception and when and all of that, Senator Schumacher's question: When is the Catholic Conference going to stand up with the millions of dollars that you have in foundations and help us--am I wording this correctly--and helping us with that timing issue? [LB120]

TOM VENZOR: Yeah, it's the same question that he asked in the payday lending bill so thank you for that. [LB120]

SENATOR WILLIAMS: So you should be able to answer, Tom. [LB120]

TOM VENZOR: Yeah. So here's my second chance. No, thank you. [LB120]

SENATOR WILLIAMS: But I think it's an important issue. [LB120]

TOM VENZOR: Yeah, so, I guess if...you're obviously letting me respond to it so thank you. And, yeah, you're right. You know, the church has a lot of resources, a lot of wealth, a lot of people. The treasurer of the church is its people ultimately. And the thing is that the church is putting in a lot of resources through our schools, through our parishes, through hospitals, through outreach to the poor, whether that's in north Omaha, south Omaha, you name it, whether it's across the state. The church is doing all sorts of things on issues related to poverty. So I guess when you state when is the church going to do that I would say for the last 2000 years. And I think that's very important to remember. And I think there's a lot of other great organizations in this room who are helping to try to attack that poverty issue as well. And some of them, as you've heard, have very good funding and that's great that people want to put their philanthropy into the poor. So I guess when you say when are we going to do that my response would be we already are and we have been and we're doing that in a variety of forms. And Catholic Charities, Catholic Social Services, again, these are...and especially we see Catholic Charities moving more so to private donations and keeping out of government contracting, this is all private money that's going into this. These are, you know, very few government contracts involved, you know, except for maybe things like some refugee services that, you know, Catholic Social Services of Lincoln does. So it is a philanthropy of the people to deal with these issues. And I think you heard from...a little bit from Dr. Pierre and Ms. Kenney that there are other methods that don't violate morals or ethics or reasonableness and get to the issues like natural family planning that helps a woman understand her biomarker so she can understand her body better so she can ultimately know when things might be off in her own body. But we know that some of the issues at times, you know, that contraception can kind of mask a number of issues. And so those are the types of things that we're helping to instill those values in those things in our students and our members across the state. And then that has nothing to say about the international assistance that the Catholic Church provides in all sorts of "impovered" nations. So I guess I thank you for that question and I guess I would respond to that and say we have been doing that. And again for the record maybe since Senator Schumacher is behind me on the payday lending issue, the archdiocese of Omaha is looking into things, alternative models, you know, to be helping those who are financially strapped and in "impovered" situations. And, you know, those are all part of

the things as we look at society we want to assist and contribute as best as we can. So thank you. [LB120]

SENATOR WILLIAMS: Thank you for what you do and thank you for helping with this and helping a lot of us on a lot of issues and together we'll find some solutions. Thank you. [LB120]

TOM VENZOR: Thank you. [LB120]

SENATOR RIEPE: Any other questions? Thank you very much. I would simply say don't ask us Methodists. We're poor. [LB120]

TOM VENZOR: Yeah, there you go so all right, fair enough. [LB120]

SENATOR RIEPE: Thank you very much. [LB120]

TOM VENZOR: Thank you. [LB120]

SENATOR RIEPE: Additional opponents? Is there any in a neutral capacity? Tyler, do we have letters? [LB120]

TYLER MAHOOD: Yes. [LB120]

SENATOR RIEPE: And how many? [LB120]

TYLER MAHOOD: About ten. [LB120]

SENATOR RIEPE: Just read them. [LB120]

TYLER MAHOOD: (Exhibits 26-36) The following letters are in support: Danielle Conrad of the ACLU of Nebraska; Beatty Brasch of the Center for People in Need; Sherry Miller of the League of Women Voters of Nebraska; Terry Werner of the National Association of Social Workers in Nebraska; Heidi Woodard of the Nebraska Women's Health Advisory Council; Reverend Craig Loya of the Trinity Episcopal Cathedral; Hope Hunt on behalf of herself; Judy Mullally representing herself; Reverend Karla Cooper of the Quinn Chapel African Methodist Episcopal Church; the following letters in neutral: Matt Keppler of the March of Dimes; and I have one letter of opposition: Julie Schmit-Albin of the Nebraska Right to Life. [LB120]

SENATOR RIEPE: Okay. Thank you very much. Senator "Bear" Schumacher, would you like to close, like Bear Bryant. [LB120]

SENATOR SCHUMACHER: Thank you, Chairman Riepe, and to members of the Health and Human Services Committee. You know, Senator Riepe, you were looking for one of those young doctors to come up and say they were going into family practice. I was hoping one would show up to say they were going into cardiology because I was about to have a heart attack when so many people showed up in support of a bill of mine. (Laughter) [LB120]

SENATOR WILLIAMS: So were we. [LB120]

SENATOR RIEPE: A day that will live in infamy. [LB120]

SENATOR SCHUMACHER: That's right. I'm lucky if I get one. [LB120]

SENATOR RIEPE: We should have gotten a picture when the crowd was all here. [LB120]

SENATOR SCHUMACHER: We should have. You know, I went back over to Revenue Committee and we were talking about $120 million in business incentives and how we really couldn't afford to slow them down while we study whether or not they're effective or not, come back over here and we're looking at whatever, half a million dollars, but we can't afford to spend until we study it. So it's kind of a different paradigm that we look at. The number one cause of poverty is not a failed education system, not a failed economic system, but a failed reproductive system. Poverty is simply defined as household income divided by number of noses in the household. And you increase the number of noses before you have the income to support the number of noses, you create poverty. And poverty has all the litany of problems that come with it, all of which are expensive. And the expenses expected to be footed by the state dwarf the expenses that are picked up by any private organization. This is an investment in timing of the limited ability that we have to have families until we have the best possible shot for those kids. That's what it is. Now the gentleman that just testified said he was going to poke the bear. He didn't poke the bear. He poked the Hoya because having come out of this nation's top Catholic economic or Catholic educational institution, it's okay to challenge the thinking of the bishops. It's okay to have that discussion. It's okay to point out the flaws in the reasoning of thinking that we don't have to responsibly deal with a world population that in my lifetime has gone from 4 billion to the end of the century will be at 11 billion. Even if we could grow the food, we can't deliver it. We're in a paradigm change and all institutions have got to recognize that if they're responsible. I'd be happy to take any questions. I'll let you folks go home. [LB120]

SENATOR RIEPE: Are there any questions? Senator Linehan, go ahead. [LB120]

SENATOR LINEHAN: I'm trying to figure out how to make a question out of this because I do have great respect for you and I've heard you on the floor and I know you're a man who thinks outside the box. But part of this whole conversation I believe if you had a drugstore--well, there's plenty of drugstores, drive by more drugstores than grocery stores nowadays--if you had a kiosk in every drugstore in Nebraska with birth control available, we'd still have quite a few unintended pregnancies. [LB120]

SENATOR SCHUMACHER: Undoubtedly. But we... [LB120]

SENATOR LINEHAN: Do you have any guess what that might be? [LB120]

SENATOR SCHUMACHER: No, no. I didn't have much after-prom experience. [LB120]

SENATOR LINEHAN: Okay. It's not even just teenagers. I mean there's something...I don't think birth control is the only issue here we don't have unintended consequences. It's very complicated. Mankind is very complicated. [LB120]

SENATOR SCHUMACHER: And education is part of it. The culture is part of it. We use the tools that we have. This is one of them. And apparently it will not cost us money; it will save us money. And there's really no rational reason not to let the people have that access to that technology. And it's a judgment call like everything we do. [LB120]

SENATOR LINEHAN: But I think it was pretty much pointed out here today, teenagers get it, have access now. Teenagers do. [LB120]

SENATOR SCHUMACHER: Yeah. And... [LB120]

SENATOR LINEHAN: And we still have, according to the study, I don't know, 2,500 teenage pregnancies or whatever and they've got access. They're covered. [LB120]

SENATOR SCHUMACHER: And there's no doubt that there's no magic pill so to speak. But there is inroads that we can make and this is one of them and this is one that will save the state money. And no one has denied that. We may be able to argue about the timing of the savings and the amount of the savings. It will save the state money and it is consistent with good medical practice, at least the bulk of the evidence indicated that. So it's where we're at. [LB120]

SENATOR LINEHAN: Okay. Thank you very much. Thanks. [LB120]

SENATOR RIEPE: Thank you. Any other questions? Senator, this is why you are the perfect person to chair the long-range Planning Committee. [LB120]

SENATOR SCHUMACHER: That's right. [LB120]

SENATOR RIEPE: And we thank you for being here. [LB120]

SENATOR SCHUMACHER: We going to call it the Long-Range Planning Committee now? [LB120]

SENATOR RIEPE: Sure. [LB120]

SENATOR SCHUMACHER: Okay. [LB120]

SENATOR RIEPE: I'll make the motion and you can second it. [LB120]

SENATOR SCHUMACHER: First we'll have to figure out how we can run a state without money. Okay. [LB120]

SENATOR RIEPE: Okay. Thank you very much. Thank you and thank you for the engagement and for staying, all of you for staying this long. [LB120]

SENATOR SCHUMACHER: Thank you very much. [LB120]

SENATOR RIEPE: This concludes the HHS public hearing on LB120. [LB120]