STINNER: Welcome to the Appropriations Committee hearing. My name is John Stinner. I'm from Gering and I represent the 48th Legislative District. I serve as Chair of this committee. I'd like to start off by having members do self-introductions, starting with Senator Erdman.

ERDMAN: Thank you, Senator Stinner. Steve Erdman, represent-- I represent District 47, mostly rural and frontier in nature.

CLEMENTS: Rob Clements from District 2, which is Cass County and parts of Sarpy and Otoe.

McDONNELL: Mike McDonnell, LD 5, south Omaha.

HILKEMANN: Robert Hilkemann, District 4, west Omaha.

STINNER: John Stinner, Legislative District 48, all of Scotts Bluff County.

VARGAS: Tony Vargas, District 7, downtown and south Omaha.

DORN: Myron Dorn, District 30: Gage County and southeastern Lancaster.

STINNER: Assisting the committee today is Brittany Bohlmeyer, our committee clerk. And to my left is our fiscal analyst, Liz Hruska. Our page today is Hallett Moomey. At each entrance, you will find green testifier sheets. If you are planning to testify today, please fill out a sign-in sheet and hand it to the committee clerk when you come up to testify. 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 are white sign-in sheets at each entrance where you may leave your name and other pertinent information. These sign-in sheets will become exhibits in the permanent record at the end of today's hearing. To better facilitate today's proceedings, I ask that you abide by the following procedures. Please silence or turn off your cell phone, move to the reserved chairs when you are ready to testify. These are actually reserved chairs up in front. You can't see that it's reserved, but it's there. Order of testimony will be introducer, proponents, opponents, neutral, closing. We ask when you come up to testify that you spell your first and last name for the record before you testify. Be concise. It is my request to limit your testimony to five minutes. Written materials may be distributed to committee members as exhibits only while testimony is being offered. Hand them to the page for distribution to the committee and staff when they come up to testify. We need 12 copies. If you have a written testimony, but

do not have twelve copies, please raise your hand now so the page can make copies for you. With that, we will begin today's hearing with LB778.

BOLZ: Good afternoon.

STINNER: Good afternoon, Senator Bolz and fellow committee members. For the record, my name is John, J-o-h-n, Stinner, S-t-i-n-n-e-r, and I represent the 48th District, which is all of Scotts Bluff County. LB778 appropriates $2 million from the General Fund in 2020-21 for student loan repayment of eligible health professionals under the Rural Health Systems and Professional Incentive Act. With this legislation, the Legislature would increase the funds available for Nebraska's Loan Repayment Program. Under the program, it assists over 900,000 Nebraskans living in rural communities by recruiting and retaining primary care health professionals. Qualified recipients are awarded loan repayments on a 50/50 match basis in state-designated shortage areas. This program has a 92 percent success rate. Up to $180,000 to $200,000 for doctors and dentists may be repaid and $90,000 to $100,000 for other professionals. Local entities can match up to $25,000 to $30,000 per year for doctors and dentists and $12,500 to $15,000 per year for other professionals. Some of the most widespread shortages we see in the state are in the mental health professions. Almost all of Nebraska counties have both a federal and state-designated shortage of clinical psychologists, licensed medic-- mental health practitioners, master-level alcohol and drug abuse counselors, child and adolescent psychiatrists, and general psychiatrists. Some of the other widespread shortages include pharmacists, professions in general internal medicine and pediatrics, general ob-- obsten-- and gynecologists-- that one I can't say very well--

[LAUGHTER]

STINNER: --and oral surgery, with many shortages in other professions. As of December 2019, there were 73 Rural Incentive Program recipients practicing under obligation in Nebraska. In small town and rural areas, approximately 40 percent of the family medicine providers have participated in incentive programs. Economic analysis based on years of work shows a significant economic benefit associated with these healthcare providers with an average of 14 percent of total employment in rural communities attributed to the health sector. This benefit far outweighs the financial investment in the incentive programs. I've got representatives here from the Health Care Association of Nebraska in

support of the bill who can speak to the demand for this program and other elements contributing to it. Thank you, committee members, for your consideration. I would welcome any questions.

BOLZ: Thank you, Senator Stinner. Questions for the Chairman? Go ahead, Senator Erdman.

ERDMAN: Thank you, Senator Bolz. Senator-- Chair, thanks for bringing this. So you're going to have $2 million and the current program has $680,000 in there now, so it would be $2.6 million?

STINNER: Yes.

ERDMAN: So it's an additional $2 million?

STINNER: It would be an additional $2 million that will be given out over a period of time.

ERDMAN: OK, is there a time requirement that they have to serve before they can get this?

STINNER: Three years.

ERDMAN: Three years? Do they get a--

STINNER: They sign up if they move to, say, Bayard.

ERDMAN: OK.

STINNER: They would be-- and, and sign up for this incentive program. They would have to spend three years there.

ERDMAN: Do they get a--

STINNER: I believe that's right. Somebody may correct me behind me.

ERDMAN: Do they get that in one lump sum then after the three years?

STINNER: There is a cap on how-- that-- there's a matching part of this thing from the local side, but there's a cap on how much. So if you came out and you owed $400,000 instead of $200,000, you would probably exceed that cap, which would push you past the three years, but-- for the payment, but I think you still qualify to continue to do that. But if you're at $200,000 or $100,000, then maybe the match fits a little bit better for repayment.

ERDMAN: OK. All right, thank you.

STINNER: But that's-- yeah, I could be corrected by the folks behind me. That's my understanding of how the program was set up.

BOLZ: Go ahead, Senator Hilkemann.

HILKEMANN: Senator, does this-- is this-- it's similar-- is this the RHOP program that they have, like, in Chadron, or is this different from that?

STINNER: This is different than, than the RHOP program. This is a loan forgiveness program targeted at healthcare professionals that, that want to practice and actually, we're incenting them to practice in rural Nebraska.

HILKEMANN: OK.

STINNER: And it has to be in designated counties and there's criteria for that as well, so--

BOLZ: Any further questions? Thank you, Senator Stinner.

STINNER: With that, I'm off to the branding committee.

BOLZ: Godspeed. Proponents, please? Welcome.

MARTY FATTIG: Good afternoon. Senator Bolz and members of the Appropriations Committee, I am Marty Fattig, M-a-r-t-y F-a-t-t-i-g, and I am CEO of Nemaha County Hospital in Auburn, Nebraska. And I am here representing that hospital and the Nebraska Hospital Association. I am also the chairman of the Rural Health Advisory Commission, appointed by the Governor, which-- and this commission administers the funds requested by LB778. I am here today in support of LB778, which appropriates an additional $2 million from General Funds to be used for the repayment of qualified educational debt owed by eligible healthcare professionals submitting applications through the Rural Health Systems and Professional Incentive Act. Rural Health Systems and Professional Incentive Act, passed in 1991, created the Rural Health Advisory Commission, the Nebraska Rural Health Student Loan Program, and the Nebraska Loan Repayment Program. The Nebraska Loan Repayment Program assists rural communities in recruiting and retaining primary care health professionals by offering state matching funds for repayment for health professionals who work in a state-designated shortage area for a period of three years to receive

funding. The program calls for the state to match local funds up to a maximum of $30,000 for doctorate-level providers and $15,000 for full-time, master's-level providers. This means that between the state funds and the local match, doctorate-level providers can receive a maximum of $60,000 per year and master's-level providers can receive a maximum of $30,000 per year for the repayment of qualified student loans. This may seem like a large sum of money, but the average physician comes out of residency with over $200,000 in debt. While the program primarily focuses on rural shortage areas, specific federally-designated areas, such as tribal areas and community health centers, also can qualify for family medicine and/or general dentistry loan repayment, even though they are not in a, in a-- located in a state-designated shortage area. The state loan repayment program has been very successful. As you can see by the map that I've attached to my testimony, 547 participants have completed this program and practiced for varying lengths of time in the state of Nebraska. As you can also see, most-- almost every area of the state is represented on this map. In fact, it's because the program is so successful that I'm here today. We have more applicants for this program than we can fund with available resources. When I visited with the Office of Rural Health last week, I was told that we currently have 51 applicants on the waiting list with the current appro-- and with the current appropriation, the earliest these applicants will receive funding is July of 2021. These are medical providers that have already signed agreements to practice in rural underserved communities. If we cannot fund these applicants sooner than this, we risk losing them to other states with money to spend on loan repayment. A question that I know I would have if I'm sitting-- if I were sitting in your seat is what kind of an investment is this? If the state gives money to repay student loans for those willing to practice in rural shortage areas in the state, what kind of an economic impact-- what is the economic impact of that money? According to the National Center for Rural Health Works, a primary care physician generates $1.4 million in economic impact each year they practice. For the fiscal years 1994 through 1999-- or 2019, excuse me-- the state has funded $16,906,179 in loan repayment to applicants, which has generated $1,183,781,455 in economic impact in the rural communities where they serve just during the time that they were obligated to practice there. That's a 70:1 return and this does not even take into account the number of lives impacted by having the medical providers in those communities. So I hope you-- I have demonstrated today the Nebraska medical student loan program is good for the state. It simply needs to be properly funded to do even more good. I ask for you to vote LB778 out of committee,

where it can be passed by the Legislature. Thank you for giving this need your consideration.

BOLZ: Thank you. Do I have questions for this testifier? Go ahead, Senator Hilkemann.

HILKEMANN: On the map that you passed out-- 17 to 33 percent are, are-- 10 percent are the physicians that have received funds from this are in Douglas County?

MARTY FATTIG: Yes.

HILKEMANN: So it's not-- so, so what's the criteria again?

MARTY FATTIG: Those are for the-- those are for your federally-qualified health centers.

HILKEMANN: OK.

MARTY FATTIG: They, they, they routinely apply for these funds and they are routinely funded so that those clinics have, have providers.

HILKEMANN: OK.

BOLZ: Senator Hilkemann, the microphone is yours.

HILKEMANN: OK, I guess I'll take on a new role. Are there additional questions for our-- yes, Senator.

ERDMAN: Thank you, Senator Hilkemann. Thank you for coming today; good information. This map that's on the back--

MARTY FATTIG: Yes.

ERDMAN: --with the green dots?

MARTY FATTIG: Yes.

ERDMAN: Can you explain that to me? I'm a little confused. If you look on the left side there, on the left side, it says Bridgeport and Broadwater.

MARTY FATTIG: Right.

ERDMAN: And it has Bridgeport at the $1 million and Broadwater is probably $5 million. Can you explain what that means?

MARTY FATTIG: Those, probably years ago, were for a, for a rural health clinic that was sponsored by either the Bridgeport hospital or the city hospital or something like that. That happened before I was on the commission. I came on the commission in 2004, so I don't--

ERDMAN: There's absolutely nothing in Broadwater.

MARTY FATTIG: I know there isn't, no.

ERDMAN: OK, it didn't, it didn't make sense why that's--

MARTY FATTIG: Yeah, yeah, I agree. This was, this was-- you know, I'm, I'm sure was on earlier data; something that happened prior to my arrival on the commission.

ERDMAN: All right, thank you.

HILKEMANN: Senator Clements.

CLEMENTS: Thank you, Senator Hilkemann. Thank you, sir. I had a question about the matching funds. Where are those matching funds coming from and have there been adequate matching available for those people requesting?

MARTY FATTIG: Great question; we think this is one of the strong points of this program. In order for a student or a medical provider to qualify for the program, they must have matching funds from the local community. That can come from the hospital. It can come from a foundation. It can come from a philanthropic individual. But that community has to come up with, with the funds. And whatever they come up with, the state will match up to a maximum of $30,000.

CLEMENTS: And that's been successful in the communities where people are going?

MARTY FATTIG: We have never had a problem. Well, I shouldn't say that. We have, we have very little problem receiving the matching funds. Sometimes, matching funds are difficult for a, a dentist or a behavioral health practitioner, psychologist or LMHP or somebody along those lines because they do not work in the hospital and-- but there

are other means, you know, community foundations and things that, that can fund those and provide the community match.

CLEMENTS: Does this apply to nurses also, registered nurses?

MARTY FATTIG: It doesn't. Nurses are not included at this time.

CLEMENTS: They're not?

MARTY FATTIG: No.

CLEMENTS: OK.

MARTY FATTIG: This is mainly for the, for the, for the doctorate-level and master's-level providers.

CLEMENTS: All right, thank you.

HILKEMANN: Senator Dorn.

DORN: Thank you, Senator Hilkemann. Thank you, Marty, for being here today. How, how-- I guess what level are they funding these at? Are they-- you know, you have a waiting list--

MARTY FATTIG: Uh-huh.

DORN: --so $680,000; that's all appropriated every year--

MARTY FATTIG: Yes.

DORN: --and then they just do the $15,000 and $30,000 or do they prorate it out?

MARTY FATTIG: No, we give, we give the max right now. That's what the, the commission has chosen to do. In fact, we increased-- we went to the Legislature in 2015 and asked to increase the maximum from $20,000 to $30,000 to, to more correctly reflect what the student debt is anymore. And we-- when we fund an applicant, it is funded at the maximum, provided the local match is there.

DORN: So, so are they, are they for a certain number of years then or is that just one year and they have to reapply or--

MARTY FATTIG: Great, great question-- and this is-- will be hopefully focused on something Senator Erdman talked about earlier, too-- that is when they apply, they, they apply to serve a three-year commitment

in a medically-- a state-designated shortage area. And, and they must serve for a period of three years or they owe the money back with interest immediately.

DORN: So do they get the $15,000 each year then? If they-- if that's the level, they get that each year--

MARTY FATTIG: They get--

DORN: --towards their--

MARTY FATTIG: They do.

DORN: And then they have to have the, the same matching for the three years also?

MARTY FATTIG: What, what they do is the community sends their matching funds to the state--

DORN: OK.

MARTY FATTIG: --and then the state sends out the check from, from, from their office. Because years ago when I was working with, with Senator Ben Nelson, we were able to get this program declared exempt from federal income tax. Prior to that, it was, it was-- you had to declare it as income tax and about 50 percent of it went to Washington, not where it was needed.

DORN: Yeah.

MARTY FATTIG: So, so we have the community send the money to the state and then we allocate the funds directly to the recipient.

DORN: But, but that is-- then-- if they, if they qualify for-- excuse me-- $15,000, that would be for a three-year commitment. They, they have to give a three-year commitment, but they would also be funded at the $15,000 level for three years?

MARTY FATTIG: Yes.

DORN: OK, thank you.

MARTY FATTIG: Yes. And they are-- another question that you had-- that is paid quarterly.

DORN: That is what?

MARTY FATTIG: Paid quarterly.

DORN: OK.

HILKEMANN: Senator Vargas.

VARGAS: Thank you very much, Senator Hilkemann. Thanks for being here. Just a question on-- so how often are individuals paying back at this amount or breaking the terms?

MARTY FATTIG: Very, very rarely; as, as Senator Stinner said earlier, it is a 92 percent success rate. There are some people that do default. And when they do, those monies come back to the program and then we use those monies to help fund other students or other professionals, I should say, they're not students.

VARGAS: And for this-- I mean, it is a small amount, which is good to hear. What are some of the reasons that you hear why people are breaking?

MARTY FATTIG: Oh, we had, we had a pediatric dentist that wanted to go on and, and do a fellowship and something else in Chicago or, you know, people don't like the community. Most generally, it's their spouse that doesn't like the community because the providers are so busy that they, they get ingrained in the community. But what we really try to do is-- because of the community match, we believe that the community has-- is incented to make this provider feel part of the community so that they stay. I mean, if they have, you know, $90,000 invested in this person, maybe they'll help them, you know, meet people and become part of the community.

VARGAS: There's just one more question.

HILKEMANN: Senator--

VARGAS: Thank you. You might have already mentioned this, so my apologies if I missed this because I was trying to look at some of the, the data on this. What are some of the-- are we tracking some of the long term; beyond the time that they're supposed to stay there-- how often they stay, how many years-- what that data looks like if you could share anything?

MARTY FATTIG: There is some of that data available through the Office of Rural Health.

VARGAS: OK.

MARTY FATTIG: And it is available-- Tom Rauner would be the guy to contact about that over in the Office of Rural Health. I did not bring that information today. There's some of it available in our annual report that we have to publish every year, but-- we're required by statute to publish that, by the way-- and so you might check there, but, but also, with Tom Rauner with the state Office of Rural Health.

VARGAS: OK. Do you see a pretty decent retention-- I mean, the, the goal is for people to then stick-- be there during that time and they have a huge economic impact during that period of time they are there, which is great. I just didn't know if there was some potential strong after effects to them sticking around and staying in the community.

MARTY FATTIG: You know, most do. I mean, most do stick around. There's not a mass migration at the end of three years. I mean, they, they really do stick around.

VARGAS: Thank you.

HILKEMANN: Senator Wishart.

WISHART: Thank you. I have a friend who is in this program, I believe, and it's been successful from what I hear from him. The-- you mentioned that your commission has decided to award the full amount to each recipient even though we have a waiting list.

MARTY FATTIG: Right.

WISHART: So is it a first-come-first-serve basis?

MARTY FATTIG: Yes.

WISHART: I know the-- a similar loan repayment program for people who are practicing law.

MARTY FATTIG: Um-hum.

WISHART: Their commission chooses to, sort of, look at all the applicants and then they give an equal amount of what they have to everybody.

MARTY FATTIG: Uh-huh.

WISHART: What is the decision-- what's the thought process behind the way that your commission has chosen to, to go and have you thought about whether there would be an impact if you just divided it out amongst everybody? It would be a lesser amount, but everybody would be awarded.

MARTY FATTIG: We have not talked about it as a commission so speaking from--

WISHART: OK.

MARTY FATTIG: --from my position as chair of the commission, I have nothing I can add--

WISHART: OK.

MARTY FATTIG: --because we have not talked about it personally. You know, I mean, it's-- I think more of what-- the reason we have done it the way we currently do is probably because that's historically the way we've done it. But again, I-- we have never discussed, you know, awarding everybody at a, at a lower amount.

WISHART: OK.

HILKEMANN: Additional questions? Senator Clements.

CLEMENTS: Thank you, Senator Hilkemann. I've got one more question; the $2 million ask in here, would that fund all 51 on the waiting list?

MARTY FATTIG: So what-- one of the things that's happening that we need to be aware of, too, is that a lot of our FQHCs or federally-qualified health centers that take care of our-- many of our underprivileged folks in the state, they got a lot of their providers through the National Health Service Corps. And the National Health Service Corps is changing their scoring so that none of the health-- my understanding is that none of the federally-qualified health centers in Nebraska would qualify for the, for the federal funding. So I'm anticipating an increased number of applicants from those facilities as well. And we would very much like to fund those because those are, those are really needy positions in those communities where they serve.

CLEMENTS: Thank you.

HILKEMANN: Additional questions? Seeing none, thank you.

MARTY FATTIG: If you have any, please feel free to contact me.

GARY ENSZ: Hi, my name is Gary, G-a-r-y, Ensz, E-n-s-z, and I'm a family physician from Auburn, Nebraska. And I'd like to, first of all, just address some things-- some questions that you had that Marty answered, but I think I can expand on them a little bit. I have talked to Tom Rauner. I've been involved with him. And as far as, Senator Vargas, your question about retention, the statistics are there that the people that are involved in this program actually stay more. They are-- stay longer than the people that come to rural areas that are not under this program, that aren't-- the other thing-- I should just give my background. I'm from Beatrice, Nebraska. I grew up on a dairy farm outside of Beatrice and I graduated from UNL and then I graduated from medical school in Washington University in St. Louis and did my family practice residency in Omaha. And then I was a part of the National Health Service Corps that Marty alluded to. That's a program where you sell your soul to the government for the last two years that you're in medical school and then they allow you to go to a health shortage area, an Indian reservation, the public-- I think National Coast Guard. There's different places where you can go to fulfill your two-year obligation. And that's how I landed in Auburn, Nebraska. My wife and I intended to stay only two years there. She had been-- she grew up in Arapahoe, but she'd been to St. Louis and Omaha. She was two years and out, but obviously, we've stayed there for 40-plus years now. I came there as a solo practitioner. I have recruited now six people into our practice in Auburn. All but one of them is still there and I think that two of my partners did participate in a loan repayment program. That was-- I think that you get a lot more bang for your buck in a program like this. There's programs that incentivize people like myself that get funding in medical school and then as you go through the rest of your medical school residency, you decide eh, family practice, you know, that's not so great. I'd rather be at this or that. And so I think there's a lot of-- less incentive to fulfill your obligation, you know, when you're making an obligation in medical school when-- rather than when you're coming out of residency. When you're coming out of residency, you have already decided what you want to do. And if you want to go into primary care, you know, and you want to go to a rural area, you're incentivized to come to a rural area if you can get loan repayment. I'm just going to speak from personal

experience here; the last two physicians that our group recruited to Auburn, they have, together, over $600,000 in student debt. They're married. One of them is an internal medicine doctor and one of them is a family physician. It's very rare to get an internist into a small town of 3,500, but an internist is a primary care. I-- you know, I'll make a disclosure here: the family physician is my son and the internist is my daughter-in-law, so-- but that was a big, big decision for them to come. And they were not planning to come from-- to Auburn. I think that one of the things that turned them to coming to Auburn was the loan repayment. They both stand-- he stands to gain $30,000 from the hospital foundation plus $30,000 from the state over a three-year period. That's a $180,000 loan repayment that it will be federal tax free. Amanda, my daughter-in-law, will be practicing part time. She has a couple of kids. It's-- she'll be part time, so she'll be working 20 hours a week, basically. And so she'll be eligible for, like, half of that; $15,000 plus another $15,000. So when my son looked at it, he said I can reduce my student loan. I'll have it paid off in either 20 years or with this program, I'll have it paid off in seven years, which is a big burden taken off your back. And particularly when, you know, you're going to a place where you're really-- as a family physician, you're not going to make as much money as if you're going into some other specialty. So I think it does take a commitment. Right now-- they started working in 2019. They will not be eligible till July 2021 to start receiving funds. And to answer your question, I think with medical professionals, I think that if you're giving them less than what is offered, $30,000, I don't-- it's not going to make as much of an impact if you divide, say, $10,000 with another $10,000. And I think it's going to become competitive with other states offering programs like this. I'm sure if he would have gotten a better deal in another state, yeah, you know, they would have looked at that more closely. And I think particularly with Medicaid for all coming on board here, where we're going to have more patients in rural Nebraska to treat, that will be coming to our office, I think it's-- as Marty said, it's a really good investment and you know what you're going to be getting. Like Marty said, for every physician that comes to a small town, the ripple effect increases the economy of that town by $1.3, $1.4 million, which is incredible. You know, a small town loses their doctor, they lose their hospital, that's-- they are at the beginning of the end if that hasn't already started. So I really think the program is underfunded. I think it should be funded as much as the state could afford to because I think it will be a big incentive to draw more people into the state, rather than just the applicants that are already here now. I think it

would be a big bonus. I think you could recruit in a residency program throughout the country and let it be known that this program exists in Nebraska where you can have student debt as part of your package coming to the state.

HILKEMANN: I think, Doctor, the red light is on at this point, so we'll have-- are there questions from the committee? Senator Dorn.

DORN: Thank you, Senator Hilkemann, and thank you for coming today. And I probably should have asked this question of Marty there, I guess. I just-- trying to run the numbers through my head all the time and the 51-- there's 51 unfunded applications out there. If we would give the maximum amount of $30,000, that's a little bit over $1.5 million and yet this bill's asking for $2 million, I guess. So I-- I'm-- somewhere-- I mean, as I was going through it, it just-- trying to gather all the pieces together. I'm assuming-- this is me-- I'm assuming the current applicant people on there are getting met by the $680,000 for those three years. So are they-- are you or are they assuming an increase in applicants, then, knowing the funding's there or why is there an extra ask?

GARY ENSZ: I didn't write the bill.

DORN: Yeah, I know. No, I know, that's what I should have asked Marty. Yes, yes, if somebody later can answer that, that would be great. Yes, thank you.

GARY ENSZ: Yep.

HILKEMANN: Additional questions? Thank you, Doctor.

GARY ENSZ: You bet.

HILKEMANN: Thank you.

GARY ENSZ: OK.

KATHY NORDBY: Thank you to the members of the Appropriations Committee and I might digress from my testimony a little bit. I am Kathy Nordby, K-a-t-h-y N-o-r-d-b-y, and I'm the CEO of Midtown Health Center in Norfolk. I'm one of the federally-qualified health centers and I'm representing the Health Center Association of Nebraska, trying to speak to some of the special situations that is-- really puts us at a high level of interest to see this expanded. We are committed-- as most of you know about federally-qualified health centers, we focus

our services towards serving the underserved, those without insurance and those in-- with economic hardships. And we do a darn good job because we're leading the nation in our quality of, of care delivered among our peers. And so I'm very proud of-- to work with that. Forty-seven percent of our patients are uninsured and 93 percent are no-- low income, as a, as a whole, across the state. I'm here today to support LB780-- LB778 and really appreciate Senator Stinner taking this to the committee to be reviewed. Recruitment and retention is a, is a strong hardship. It takes a lot of my time and it is, is critical to long, long-term viability for the work that we do. And I try to make the commitment, as you talked about it-- do they stay longer? I try to select those that are interested not just in the dollar, but in an investment in the community in the long term. And this can really make a difference for me to compete with, with Omaha or Lincoln specifically, but also even in the area with other communities. And I've done a lot of novel things in partnering with the community of Neligh to bring a half-time dentist to Neligh and half-time dentist to me using this program. And I paid half of that loan repayment and so did the community of Neligh. He-- I knew when he signed on that he wanted to take over, as the dentist there retired. I think it's important that Neligh have their own dentist in their own community. I knew that, but I still had needs that I needed to get met today. And so the two or three years that he gave me in service was valued for what it was and, and we were very honest about that. So that, that isn't in here, but it kind of lends itself to what's happening; why we're extra interested. I've always been a partner in some of this because our points-- but the, the federal program went through a review and this was a nationwide review over a number of, of years and we didn't see the results until the very end and it had a real negative impact on rural states. We're not leaving it alone at the federal level, but essentially, Nebraska is no longer competitive. There are 6-- 64 National Health Service Corps members in the state of Nebraska right now; 40 of them are placed at federally-qualified health centers. So those 40 people, going forward, are not going to be eligible, maybe one or two. Our point system, because the Health Professional Shortage Areas determination series at the federal government has changed-- and those 40 people are not going to be eligible, year in and year out, going forward. Now the ones that are enrolled are currently-- they will retain that, but any new applications will not be taken competitively. You have to be 20 or above-- 23 or above to qualify for the federal dollars. So we're talking to our federal representatives about increasing those dollars. And we are partnering with other rural states to say, let's get this

together and let's not hurt what it was intended to serve, which is hard, hard-to-place areas. So we're working at that level, too, but it puts undue pressure-- and so some of this, I think, is a recognition that there are-- you know, just filling the, the waitlist isn't enough. I have new apps that want to get on that waitlist and if they know there's money, sometimes you just get frustrated filing paperwork if you don't see the results. You are, like, eh. So I think it would expand and I think there is a need there to do that. And it is an important tool to help me be competitive because I-- as a nonprofit, I struggle every day. I have 40 percent uninsured, about 80 percent of my people are poor. Right now, I have 11 to 13 providers depending upon what specialties. I'm recruiting five more; two replacements and three additional. And I've been looking for a pediatrician for over two years to come to my area. And my-- I have one pediatrician who is over busy and I'm at risk of losing her so she doesn't have to work as hard because she's incredibly popular. So I'm trying to do things to really meet the needs of the patients that we serve and, and respond to the need that the FQHCs have brought. So I'll stop there. I really drifted around, but I hope-- we also included details about the, like, on a talk sheet about the HPSA score, if you want to get in the weeds with me on that or I might turn around to get more information as well. I could just tell you that it's complex and it hurt rural.

HILKEMANN: Thank you, Ms. Nordby. Are there questions from any members of the committee? I have a quick question--

KATHY NORDBY: Um-hum.

HILKEMANN: --on this matching. For example, could Midtown Health Center be the match?

KATHY NORDBY: Yes, yes--

HILKEMANN: OK.

KATHY NORDBY: --and we do that regularly. And there was questions about how it's paid out and stuff and I try to front-load it as much as possible because otherwise, I'm just paying their interest. And when you're talking $400,000 dollars in interest, getting 60 of it out, out of the way in front will pay itself over those three years. And so without any eligibility for a program, if I'm in a specialty where I know I can't, I pay that at the end of year one for that third-year commitment. And I recognize year one and give them two more years and that's just my payout. But if I can couple that with these

other programs and I'm confident-- I never want to mislead a provider, but I try to couple that with that and say this is what we're doing and then-- I have been successful. My chief dental officer, I believe, is an example of somebody who's staying and is committed to the FQHC Board because he was rural, wanted to come back to rural. I financially helped to make that possible and he's a great leader, so--

HILKEMANN: Out of curiosity, do you pay, do you pay the individual directly or do you pay to the loan company?

KATHY NORDBY: You go-- I pay it to the state and the state issues that payment-- is how I believe it works. But I have to turn it over to the state if they qualify. I have to demonstrate that matching.

HILKEMANN: Right.

KATHY NORDBY: But no, if I were-- when I do it individually, we try to do it directly, but it is considered income if they're not in this loan repayment program.

HILKEMANN: But you don't-- so you pay it to the individual and not to the loan company?

KATHY NORDBY: No, I pay it directly to the loan company, so they're-- you know, if I'm doing it independent of this program. But I think our payments here have to go to the state and I can look at Marty on that. So I send it to the state and the state handles it for me.

HILKEMANN: Additional questions? Thank you for coming in today.

KATHY NORDBY: Uh huh, thank you.

HILKEMANN: Additional proponents? Seeing none, are there any opponents to LB778? Is there anybody that would like to speak in the neutral position on LB778? Seeing none, that will close the hearing on LB778. We do have five letters of-- or seven letters of support on LB778. With that, we will begin the hearing on LB901 and Senator Cavanaugh is here to open on that bill today.

CAVANAUGH: Hello, members of the Appropriations Committee. Thank you for having me here today. My name is Machaela Cavanaugh, M-a-c-h-a-e-l-a C-a-v-a-n-a-u-g-h, and I represent District 6 in west-central Omaha. I'm here today to introduce LB901, which will increase the appropriations to the Nebraska Perinatal Quality Improvement Collaborative. Preterm birth is a serious and growing

health threat in Nebraska and across the United States and is a leasing-- leading cause of death and disability among infants. In Nebraska, 10.5 births are premature; almost a full percentage higher than the national average. While the resulting complications are responsible for 13.2 percent of all infant deaths in this state, each preterm birth is estimated to cost $65,000, costing over $21.1 million-- billion dollars nationwide-- not million, billion. But since 2014, rates have been increasing across the country except for a dip from 2015 to '16 in Nebraska. The Perinatal Collaborative, which was first funded in 2015, has been instrumental in slowing the increasing rate of preterm births in Nebraska. I have a testifier who will be coming after me who can bring-- who can go into their work in detail, but the dedicated professionals at the collaborative have worked tirelessly to create a program that protects the health of mothers and babies across the state, even through significant cuts in funding. There is an amendment to this bill that you all should have. It eliminates the reference to federal matching dollars that no longer exists and requests that the funding for the program be maintained in future budgets. Thank you for your time. I'd be happy to take your questions.

HILKEMANN: Are there questions for Senator Cavanaugh? Thank-- oh, Senator.

ERDMAN: Thank you, Senator Hilkemann. Thank you for coming. So we're going to add $200,000-- currently, there's $100,000 in General Funds, did you know that?

CAVANAUGH: Yes.

ERDMAN: So we're going to make it $300,000?

CAVANAUGH: No, it'll be $200,000.

ERDMAN: OK, so we're only adding $100,000?

CAVANAUGH: Yes. So the federal fund match is gone so this is replacing that federal fund match so it's $200,000.

ERDMAN: All right, thank you.

HILKEMANN: Senator, Senator Dorn.

DORN: Thank you, Senator.

HILKEMANN: Got in under the bell. [LAUGHTER]

DORN: Yeah, thank you for being here. I guess explain that a little bit. So how much was the federal match, I guess, or where--

CAVANAUGH: $100,000.

DORN: That was $100,000 and that was to match what the program-- it matched the $100,000 from the program?

CAVANAUGH: Right, so the federal match doesn't exist. So this would be replacing the federal match to keep it funded at the level it's been funded. So it's not actually an increase in their funding, it's just an increase in the state's portion of their funding.

DORN: OK, thank you.

HILKEMANN: Any other questions? Thank you, Senator.

CAVANAUGH: That's good because I don't think I can stay for closing because I actually am currently supposed to be across the hall introducing another bill. So if I can come back in time to answer any further questions, I'd be happy to, but we've got some great people--

HILKEMANN: All right.

CAVANAUGH: --to fill you in a little bit more. Thank you.

HILKEMANN: Are there proponents for LB901?

ANN ANDERSON BERRY: Good afternoon, Senator Hilkemann, members of the committee. I am Dr. Ann Anderson Berry. For the record, A-n-n A-n-d-e-r-s-o-n B-e-r-r-y. I'm a faculty member of UNMC and the medical director of the Nebraska Perinatal Quality Improvement Collaborative. However, I am not speaking as a representative of the university today. I am here speaking as an individual on behalf of the Nebraska Perinatal Quality Improvement Collaborative and on behalf of Children's Hospital and Medical Center. I am here testifying in support of LB901. The goal of the collaborative is to ensure that all Nebraska perinatal providers and birthing hospitals are equipped to provide evidence-based care that will reduce morbidity and mortality in mothers and babies. State collaborative groups across the country with state-supported funding have helped healthcare professionals adopt practices that improve birth outcomes and reduce costs. NPQIC will be able to achieve these outcomes and the goals of the

collaborative with the support of the state of Nebraska. Financial support from the state will, in turn, result in reduced state healthcare costs for Medicaid. In 2014, a group of neonatologists came together to discuss the need for a Nebraska collaborative. Nebraska was one of 12 states without a collaborative at the time. This group of individuals found strong support for a collaborative from both metro and rural-area hospitals, a variety of healthcare providers and insurers, as well as from groups such as the March of Dimes and family advocates. In 2015, the Nebraska Legislature funded NPQIC with $100,000 per year in operating funds that were then cut two years later to $70,000. Despite that 30 percent reduction in funding, NPQIC has continued to grow in scope and impact. Since our original funding, we have enrolled all 53 delivery hospitals in the state of Nebraska's NPQIC-member hospitals. These member hospitals actively participate in quality improvement projects such as improving in-hospital breastfeeding, diagnosing newborn jaundice to prevent brain damage, implementing safe sleep practices to prevent sudden infant death, and pregnancy bundles to decrease maternal mortality and morbidity. We've also worked on opioid exposure in, in neonates under the federal CARA Act and partnered with SIM-NE to provide training in high-risk deliveries and neonatal resuscitation to rural healthcare providers. In this work, we have intentionally partnered closely with the Maternal Child Adolescent Health Program with the Nebraska DHHS division of public health in order to increase the impact of resources across the state. NPQIC is housed in the department of pediatrics at UNMC, which allows us use of important resources including database development and statistical support. Our program administrator has a doctorate in nursing and is a certified professional in healthcare quality. She is our only full-time, paid staff person. This position is funded partially by grants written by NPQIC and partially from state funding provided in LB233 from 2015. Other office and administrative costs as well as program implementation and education costs are funded by grants. Your support of LB901 will allow us to hire an additional staff member to increase the impact of NPQIC from working within hospitals at the very end of pregnancy to working with providers to give quality support to impact perinatal outcomes from the very first time a mother presents in the provider's office. These changes will allow us to address perinatal issues that develop long before the hospital admission for delivery. The probability of success of the proposed work for an investment in NPQIC must be a consideration when allocating taxpayer funds to such a program. We have a highly trained and dedicated group of individuals committed to statewide quality improvement with a strong record of sustained

success and improvement in perinatal outcomes. Over the last five years, this volunteer group of healthcare professionals has made a huge impact on perinatal health and outcomes in the state. With an additional support person, the impactful practice improvements that could be implemented across the state through NPQIC would multiply to include the management of perinatal depression, which is a leading cause of maternal morbidity and mortality, further efforts in reducing maternal mortality, increasing the scope of antibiotic stewardship in the neonate, increasing opioid prescribing awareness for providers across the state in conjunction with NeHII among other planned projects. Prematurity is a very costly condition in the state of Nebraska through Medicaid-- bears a large burden of this cost. While $200,000 in funding proposed in LB901 is not a trivial amount, prevention of just one extremely preterm infant would save more than that in hospitalization costs alone. Since NPQIC has formed, we have initiated more projects than anticipated and partnered with DH-- DHHS numerous times to help facilitate work that is critical to families in Nebraska. While significant portions of our work are grant funded, to continue to provide and expand services to this population, an increase in state funding is essential to facilitate the perinatal goals of DHHS and providers across the state. We realize NPQIC, like other state collaboratives, should be a public-private partnership. March of Dimes, Children's Hospital and Medical Center, Nebraska Medicine, and others have all offered grants, monetary, and in-kind support. These funds haven't been sufficient to expand our scope on a sustained basis. In conclusion, the state is a necessary public health partner in NPQIC's goal to advance outcomes for mothers and babies. The work of our perinatal collaborative is essential. Although we were the 40th state to develop a perinatal collaborative five years ago,we are now one of the most active collaboratives in the Midwest with other collaboratives often asking us for advice. We have a statewide presence and the potential to have an even greater impact in close partnership with DHHS. With increased state funding through LB901, Nebraska's perinatal collaborative will continue to ensure that Nebraska will be a state where great life starts with healthy moms and healthy babies. Thank you.

HILKEMANN: Are there questions? Senator Erdman.

ERDMAN: Thank you, Senator Hilkemann. Thank you for coming today. You may not know the answers, but let me ask anyway. What was the reason the Feds stopped funding this? Do you know what it was?

ANN ANDERSON BERRY: I don't know. But unfortunately, NPQIC was never able to get those federal matching funds. We wrote our initial bill with Senator Howard in 2014 and it was funded in 2015 and the Feds stopped the matching fund in 2014, so--

ERDMAN: So then we've, we've never gotten those dollars?

ANN ANDERSON BERRY: We've never gotten those unfortunately. We missed it by a year.

ERDMAN: So then the statement made-- we're replacing the federal funds may not be true?

ANN ANDERSON BERRY: No, this is an additional funding source--

ERDMAN: OK.

ANN ANDERSON BERRY: --so that we could add a second full-time, paid staff member.

ERDMAN: OK, thank you.

ANN ANDERSON BERRY: Yes, thank you.

HILKEMANN: Are there additional questions? Senator Vargas.

VARGAS: Thank you very much for being here and thank you for your work. I have probably shared this on the floor, but, you know, my young one, who's 1 years old, was born about 6 weeks premature. And it shed a lot more light for me and looking at the statistics about infant and maternal mortality and I see, I see a need for this. And I just appreciate you being here and your work on the collaborative. The question I had was just a little bit on the interplay. It's great to see that there are-- this public-private partnership; that there are projects. Having the staff members increases capacity. Do you want to talk about what extent collaboration looks like with our state, specifically DHHS? We do have an infant mortality review board and they provide reports, which I encourage my colleagues to, to take a look at every year. I just didn't know what that sort of policy collaboration looks like, if you want to share with the committee?

ANN ANDERSON BERRY: Absolutely, I'd be happy to share that. It's a fairly extensive collaboration. I can speak first to the maternal mortality work. My codirector, Bob Bonebreak, who is a perinatologist, sits on that and brings NPQIC and our work very closely into that

committee. We partner with DHHS to bring the national available resources to the state level. We have a grant through AIM, which is a HRSA grant that helps us to focus on maternal mortality and our full-time staff member spends a good majority of her time now trying to get the AIM bundles implemented. In particular, we're looking at massive hemorrhage and maternal hypertension. I think something that I've been talking with your staff about is the concern that we have around maternal mortality data and about birth and death certificate data and the quality of that, which is not unusual from across the United States. It could be better here in Nebraska so that's something that we'd also like to work on with this additional staff person. Other partnerships with DHHS have included our Safe Sleep and our Safe Sleep champion hospitals that we've worked closely with across the state to ensure that all hospitals that are delivering babies are teaching families what safe sleep practices should be at discharge. We have a higher than expected SIDS or SUID rate for our infants in Nebraska and so that's something that we're working on as well. And then we have been working very closely with DHHS in implementation of CARA, which is an opioid reporting act for perinatal exposure of opioids and other illicit substances. And we've worked hand-in-hand to get that program and how it's going to be implemented for the state of Nebraska out. We've brought together advocates from multi-disciplinary aspects to try to get the best data we can to help those moms and families.

VARGAS: Well, I appreciate you doing that. And my only ask to you is whatever we may do with the funding, if we do appropriate it, you know, since we have-- in the age of term limits, it's always helpful to get any policy recommendations. It seems like you're doing that with DHHS. It's also helpful if there is anything you can ever provide to us or, actually, the Committee of Health and Human Services, so--

ANN ANDERSON BERRY: Absolutely. In my role as medical director, I've been back to testify on Safe Sleep and I'd be happy to help with any perinatal issues as would the multitude of physician and nursing volunteers across the state. This is not one or two people. You know, we really have activated an, an entire network to try to do better for Nebraska moms and babies.

VARGAS: Thank you.

HILKEMANN: Senator Clements.

CLEMENTS: Thank you, Senator Hilkemann. Thank you, Doctor. I see in your testimony that the funding was cut to $70,000; is that what the funding is currently?

ANN ANDERSON BERRY: The funding is currently at $70,000. Sara Morgan with DHHS has allocated an additional $35,000 this year for some of the special work that we have been doing because it's been a heavy lift with CARA, but our baseline funding is still only at $70,000.

CLEMENTS: Thank you.

HILKEMANN: Doctor, I have a question for you. This is not directly related to this, this funding, however, are you familiar with a program called Count the Beats? [SIC]

ANN ANDERSON BERRY: Count the Kicks.

HILKEMANN: Count the Kicks, I mean? Yes.

ANN ANDERSON BERRY: Yes, that's another program that NPQIC funds. We provide those materials at no cost to all obstetrical providers, family practice providers, and midwives across the state of Nebraska. So that's part of how we spend our $70,000.

HILKEMANN: Have we done, have we done any, have we done any public service announcements for that particular program?

ANN ANDERSON BERRY: So we do-- we have-- our primary mode of getting a hold of our consumers, which would be pregnant moms, is through social media. And so we do Facebook and Instagram posts and we have highlighted Count the Kicks multiple times. We probably do between five and ten posts a week. We've highlighted Count the Kicks, CMV, Safe Sleep, a lot of things direct to consumer like that.

HILKEMANN: I heard about that program several years ago when I was at a CSG meeting. Since that went into place, have there been any-- has there been any data done as to, as to the effectiveness of that program?

ANN ANDERSON BERRY: So that's a great question. Because we only have 25,000 births per year and because stillbirths are an incredibly small number of that-- still-- one stillbirth is too many. We need to accumulate multiple years before we can show statistical improvement from the implementation of that program. We work closely with that program that's out of Iowa. They have a good six or seven years ahead

of us on that. And they're starting to be able to show, with their increased, you know, population size and their extra years of experience, that there is a statistically significant drop in stillbirths based on implementation of Count the Kicks. So we're very, very strong proponents of that.

HILKEMANN: Great. In fact, that-- I was at-- it was the Iowa meeting that I heard about the--

ANN ANDERSON BERRY: Uh-huh.

HILKEMANN: --Count the Kicks program, so--

ANN ANDERSON BERRY: Yeah, it's great work.

HILKEMANN: I actually talked with Dr. Bonebreak about that program at one point. I wondered how it was coming in Nebraska.

ANN ANDERSON BERRY: Yeah, it's coming along well.

HILKEMANN: Thank you.

ANN ANDERSON BERRY: We always appreciate extra voice around that, though, because every time a woman gets pregnant, we need to educate another person--

HILKEMANN: Absolutely.

ANN ANDERSON BERRY: --about that, yeah.

HILKEMANN: Yeah. Are there additional questions?

ANN ANDERSON BERRY: OK.

HILKEMANN: Thank you for coming today.

ANN ANDERSON BERRY: Thank you for your time.

HILKEMANN: Additional proponents for LB901? Are those that would speak in opposition to LB901? Is there anyone here that would like to speak in a neutral position on LB901? Seeing none and I think Senator Cavanaugh is not back to close. We will-- she will be waiving her close and we have letters of support from the Nebraska Hospital Association, First Five Nebraska, and the Nebraska Medical

Association; all of them in support of LB901. At this point, we will go to LB1018. Senator Vargas.

VARGAS: Hey, how are you? Good afternoon, members of the Appropriations Committee, Senator Hilkemann. For the record, my name is Tony Vargas, T-o-n-y V-a-r-g-a-s. I represent District 7 and the communities of downtown and south Omaha here in the Nebraska Legislature. LB1018 appropriates $6.5 million of General Funds to local public health departments. Within that appropriation is $150,000 specifically for critical health services aid to be divided equally among the 18 public health departments and $3.8 million for proportional health services aid to be divided proportionally, based on population, among the health departments. I know as well as you all do that there is a lot of debate about the different ideas about what we do with our revenue surplus. And there are a lot of worthy areas that we can make sure that we're investing that money. LB1018 and the following bill, LB1019, are my pitches for what we should do with some of these funds. We have 18 public health departments and they deal with so many issues that our communities are facing. I passed around-- will pass around this op-ed very quickly so that you can reference some of these things. Thank you, Hallett. This op-ed that's being passed around is from earlier this year that was authored by officials from public health boards from around the state and I think it really speaks for itself. And I hope you'll take a few minutes to read it and make sure to have that at your disposal. But I want to summarize really quickly about this. Our public health departments are dealing with consequences that happen when communities don't have access to, don't have access to medical care including lifelong consequences of childhood lead poisoning, opioid abuse and addiction, communicable and infectious diseases like measles and whooping cough, and high cancer rates. Investing funds in these public health departments help prevent chronic diseases, keeping kids in school and keeping our workforce healthy. Now 18 years ago, the Legislature used about $5.6 million from the Health Care Cash Fund to start the public health funding infrastructure. The level of funding hasn't increased since then, but the demand for services, the growing challenges, and inflation has increased. Now there will be medical professionals behind me to testify about the work they do and they'll be the best equipped to answer questions about this. The only thing that I want to add is there's a lot of people that look at public health as an extra, something that is nice for us to have. I think when we consider what preventative care really looks like-- and I mentioned the other bill that I've also introduced, we should be looking to our public health

departments as, as not just about ensuring that we are being reactive, but instead, looking to our health departments as a way to build an investment into the long-term healthcare of our communities. We talk so much about workforce needs. We talk about infrastructure and investment needs. We should be talking about infrastructure and workforce the same way that we talk about public health because it's when we need public health the most is when we are most reactive to it. The best time for us to invest in public health is probably ten years ago-- and I'm quoting, actually, from this op-ed. The second best time is now. With that, I'm happy to answer any questions and I appreciate the committee's time.

HILKEMANN: Are there-- Senator Clements.

CLEMENTS: Thank you, Senator Hilkemann. You mentioned that this started with around $5 million from the Health Care Cash Fund. Is that the continuing amount coming out of the Health Care Cash Fund?

VARGAS: Correct, so the current appropriation for our local health departments is about $7.5 million; about $1.8 million of that is from General Funds and about $5.6 million is from cash funds.

CLEMENTS: There is some General Funds coming out now?

VARGAS: There are some, yes.

CLEMENTS: $1.8 million? All right, but you decided not to try to get any more out of the Health Care Cash Fund, but additional funding should be General Funds?

VARGAS: Senator Clements, it looks like you're making a motion for an amendment.

[LAUGHTER]

CLEMENTS: Well, thank you. That's all I had.

VARGAS: Thank you very much, Senator Clements.

HILKEMANN: Senator Erdman.

ERDMAN: Thank you, Senator Hilkemann. Thank you, Senator Vargas. So on the second page of the fiscal note, Senator Vargas, it says the-- LB18-- LB018 would increase the General Fund appropriations to the 18

public health departments, a total of $8.4 million, right? So that's the $6.5 million plus 1 point--

VARGAS: Uh-huh.

ERDMAN: --whatever it was you said before; $1.8 million. So as Senator Clements had asked-- that the, the contribution from the, the healthcare fund would go away on this; $5.65 million is not going to be there and we're going to replace it all with General Funds, is that correct?

VARGAS: Well, what we're doing here is just allocating the funds from the $6.5 million from General Funds. I did not touch the existing appropriation and where that funding stream came from, but--

ERDMAN: Would that be on top of that?

VARGAS: Yes, it would be an additional $6.5 million. It wouldn't--

ERDMAN: So it would be $13 million?

VARGAS: No, so this would go into a total of $8.429 million.

ERDMAN: The cash fund doesn't include-- you're not including that in the--

VARGAS: Let me double-check this because this says that $7.53 million-- "current appropriation for local health departments." So it would increase it to-- yes. Yeah, correct; $6.5 million on top of the $7.5 million.

ERDMAN: So it would be $13 million?

VARGAS: Um-hum.

ERDMAN: OK, thank you.

HILKEMANN: Senator Dorn.

DORN: No, Senator Clements.

HILKEMANN: Senator Clements. That's what I said. Go ahead.

CLEMENTS: One more follow-up on this fiscal note. On the second page, the-- it's a comment that says the "appropriation may constitute a base adjustment" since it's in the second year. Is this in the intent

for it to be ongoing in future years or this is a one-year appropriation?

VARGAS: It is up to future Appropriations Committees on whether or not we make that recommendation. This is, this is for right now--

CLEMENTS: OK.

VARGAS: --this, this fiscal year. But I think it's, I think it's an accurate assumption that whenever we are increasing something-- and we have-- we tend to operate off of the new base adjustment. We do do that. But we, we sat in this committee and we have readjusted base adjustments all the time, sometimes to be more and sometimes to be less.

CLEMENTS: All right, thank you.

HILKEMANN: Additional questions? Seeing none, thank you, Senator Vargas. Proponents for LB1018?

KIM ENGEL: Good afternoon, members of the Appropriations Committee. My name is Kim Engel, K-i-m E-n-g-e-l, and I'm the director of Panhandle Public Health District. Since 2002, we have used proven methods to identify community health needs and strategies to address them. Local public health in Nebraska is working at our max. To give you an idea of the depth and breadth of local public health, I want to share some of the work that we're doing at PPHD. We are currently conducting focus groups throughout our jurisdiction, 22 in all, as part of the community health needs assessment to inform decisions at the Community Health Summit planned for March 31 in Gering. We are ready, certified, and have the equipment to complete lead assessment in homes for children who have tested positive for blood lead poisoning. Lead poisoning in young children can cause cognitive delays and permanent brain damage. We currently have 21 children below age 6 with high blood levels that we know of. We are working with PADD to address lead rehab in our aging housing stock. Any home built before 1978 is at risk for lead exposure. We're also sponsoring three training opportunities; one in Scottsbluff, Alliance, and Chadron for area contractors and painters to become lead RRP-- which is renovation, repair, and painting program-- certified to meet the EPA standards and to incorporate lead-safe practices. The Panhandle has been identified as one of Nebraska's five high-burden areas for drug overdose deaths. Our opioid prevention work priorities include stigma reduction, expand access to addiction treatment and reduce access, overdose and misuse

through de-escalation training, assessing the integration of mental health in primary care, promoting the Prescription Drug Monitoring Program, identifying and removing barriers for referrals into treatment like medicated assisted treatment, training support groups, training work sites on ways to support employees in recovery, and providing naloxone to first responders. Our Healthy Families parent coaches bring intensive home visitation services to pregnant and parenting families and is proven to prevent child abuse. We are the first Healthy Families site in Nebraska to pilot the implementation of Families First Prevention and Safety Act [SIC]. This adaptation allows the state to refer families involved with Child Protective Services to this evidence-based program. Federal funds that were previously only for foster care can now be accessed by the state for prevention. We are working with seven school districts to provide curriculum and training to implement "Hope Squads." That's student peers trained to prevent suicide among fellow students. We work closely with the ESU 13 for sustainability and reach. Our public health dental hygienists screened 4,279 children and applied 3,097 fluoride varnishes and 726 sealants in 2019. And we work with 50 work sites to create healthy environments that import-- impact employees and their families. Disease investigation happens every day, averaging 400 a year for us. Infectious disease personnel look to local public health for guidance on testing and procedures like novel "coronusvirus" or COVID-19. There is more, but when I wrote this, I thought I only had three minutes. Public health is not the ambulance at the bottom of the cliff. We are the fence on top preventing the fall. As the hub in the district for health, we have many roles; facilitator, collaborator, planner, data collector, and analyzer and the source for credible information to name a few. Local public health serves as vital hubs for communities, making the good life even better. Thank you.

HILKEMANN: Thank you. Are there questions? Seeing none, it was four minutes so you did great.

KIM ENGEL: [LAUGHTER] Thank you.

ADI POUR: Good afternoon, Senator Hilkemann and members of the Appropriations Committee. My name is Adi Pour, A-d-i P-o-u-r, and I'm the director of the Douglas County Health Department. Before I start, however, I would like to express my appreciation to Senator Vargas, Senators Cavanaugh, Hansen, McDonnell, for introducing LB1018 and thank them for valuing public health. If I would have given this testimony a month ago, I would have shared with you how the Douglas

County Health Department, through some very astute communicable disease investigation, identified a national outbreak of hepatitis A linked to blackberries. We worked directly with the Center for Disease Control, the FDA, and the implicated firm. This investigation resulted in the identification of cases in seven states and the identification of the blackberry grower in Mexico. Even more important, this investigation and identification of the blackberries prevented many other Nebraskans from being exposed to hepatitis A. But let me take you back just two weeks ago, when the headline was Nebraska is one of four sites in the U.S. that is repatriating Americans from China potentially exposed to the novel coronavirus now called COVID-19. As Nebraskans, we should all be so proud of the world-class healthcare systems, the facilities, and the expertise here in Nebraska. But I warn you, in order to assure the health and safety of our state, we must also invest in local public health. By the time the 57 Americans arrived at Eppley Airfield, Douglas County Health Department had already began monitoring travelers returning from China as directed by the presidential proclamation made on February 2, 2020. We actively monitored more than 50 travelers, collected daily temperatures and symptoms, providing masks and thermometers if needed. Our epidemiologist had already developed and implemented an electronic reporting system that collects the daily temperature and symptoms from the returning travelers. In addition, we have been planning for the need of contact investigation should local exposure and/or transmission occur. We had already developed information for schools, including guidelines for families returning from China and families that did not want to let their children back in school with returning travelers. We had already answered many midnight calls from healthcare providers who saw patients in the emergency room and wanted to discuss cases with public health and determine if the patient should be tested. Healthcare providers need public health agencies for approval for testing, if the patient should be quarantined, or if they should not even worry about this new virus since the patient did not travel outside the US and was not in contact with an ill person. But now we had an additional layer of complexity. When Ebola patients were brought to Nebraska Medicine a few years ago, we learned very quickly that local public health had a responsibility to the local community to provide them with an avenue to ask questions. We opened an information line at that time and we decided it was our duty, again, to do it this time. We commandeered a conference room, turned it into our call center, installed ten phone lines; five English, three Spanish, one for the subject matter expert, and one for Mandarin should it be needed. We asked for volunteers from depart-- from our

department to staff the information line in four-hour shifts. We asked the two neighboring health departments, Sarpy/Cass County Health Department and Three Rivers, which is comprised of Saunders, Washington, and Douglas County-- Dodge County, excuse me, to send staff to assist us. We prepared more than 30 questions with accurate answers to be precise and consistent and we opened the line the day before the Americans arrived. We had it open even over the first weekend, which meant paying overtime to staff that we had not budgeted. This was the right thing to do since the questions ranged from more scientific information about the virus to conspiracy theories to irrational fears that needed to be alleviated with correct answers. Since then, we answered more than 100 calls. At the same time, the three local health directors are on daily situational calls, sometimes twice daily, with the federal partners in Nebraska Medicine to get the newest update about the individuals quarantined at Camp Ashland and ask questions and collaborate if necessary. Needless to say, we need help, financial resources to build and maintain necessary public health infrastructure. Responses like these quickly deplete our resources. To successfully tackle today's greatest public health challenges, the emergence of high-consequence pathogens, a skilled and sufficient workforce is needed. This requires allocating adequate funding not just to react to today's emergencies, but to help prevent and address the emergencies of tomorrow. We should not wait for the next crisis like coronavirus to fund public health. In closing, I would like to reiterate, again, a first-class healthcare system requires a first-class local public health system. Thank you.

HILKEMANN: Thank you, Dr. Pour. Are there questions from the committee? Senator Dorn.

DORN: Thank you, thank you, Senator. Thank you for being here and thank you for the work that you are doing and everybody else is doing, also, in this area with the issues that we have at hand. Do-- you mentioned that you are now taking this overtime or doing this overtime for this. Does that funding come, then, out of your budget or is there additional funding coming from, I don't know, federal or, or anybody else to help support that or is that a-- strictly a-- your cost fund?

ADI POUR: At this time, it's strictly our cost. You know, there is always hope, but sometimes the people-- and we have the paperwork ready so that if the Feds would be ready to reimburse us, we can show them hour-by-hour how much we have spent on this.

DORN: OK, thank you.

HILKEMANN: Are there any other questions for Dr. Pour? It's always a pleasure to have you here, thank you.

KELLY KALKOWSKI: Good afternoon, Senator Hilkemann and members of the Appropriations Committee. My name is Kelly Kalkowski. That's K-e-l-l-y K-a-l-k-o-w-s-k-i and I'm the chief executive officer at Niobrara Valley Hospital in Lynch, Nebraska. And I'm also the current president of the Board of Health for North Central District Health Department in O'Neill, Nebraska and I'm here to-- on their behalf to support LB1018. In our community, I see the progressive development taking place by the local public health system across all of Nebraska. To best reach the maximum potential health, wellness, and education, it is critical that Nebraska's local health department is supported. Our local public health department is a strong community responder against potential health threats and disasters. They were critical in supporting Boyd County and the surrounding area during last spring's disastrous flooding; March, April, May, June, July, right on down the list. They provided needed immunizations after our facility exhausted their support or their-- what they had on hand for the first responders and community members doing cleanup through the flood. The local health department also monitored the drinking water from the contaminate-- the possible contamination of wells so that the water was ensured to be safe for the public. They set up needed community self-sheltering well before outside entities were able to respond and they served as the essential communications link between all community partners. Addressing the increased number of emergencies and disasters in local communities are becoming the new normal for local public health departments. We ask them to respond to many issues from flood waters that have already started here in Nebraska to the new coronavirus threat. The added community responsibility public health departments face is being done without additional resources, all while still continuing other community priorities such as opioid use, school surveillance for illness, and many other environmental needs. We should not wait for new and emerging threats to increase funding for local public health. Additional funding to carry out their mission to protect and promote the publics in, in Nebraska is in critical need. In 2001, the Nebraska state legislator [SIC] supported the development of building Nebraska's public health system through the use of the current Health Care Cash Fund, delivered from the tobacco master settlement. In just 19 years, your local public health departments have grown and advanced tremendously year after year, taking on much

greater needed responsibility than other-- ever before. Other health departments are not only a key-- our health departments are not only key in the response to community health threats and disasters, they are also a key partner in our healthcare system, working together with numerous partners to keep the-- and continue to improve our healthy and stable environments. We must fund our local public health departments' function in the capacity in which they are needed in our communities and as required by state statutes. There-- this-- there is an urgent need for additional resources, this I first-- know firsthand. I respectfully ask that you support LB1018 for local public health in Nebraska. Thank you for allowing me to address the committee and I'd be open for any questions.

HILKEMANN: Thank you Mr. Kalkowski. Are there questions? Senator Erdman.

ERDMAN: Thank you, Senator, and thanks for coming.

KELLY KALKOWSKI: Yes.

ERDMAN: You kind of aroused my curiosity. In your comments, you said floodwaters are already close to Highway 275 near West Point. Can you explain that?

KELLY KALKOWSKI: There was-- yeah, that was-- how many days ago was that; that the Highway 275 was closed down in one area over by West Point?

ERDMAN: Currently.

KELLY KALKOWSKI: Currently, I think it's open. When we put that together-- that's why when I did my talk here, I kind of left it open to flooding already started in Nebraska.

ERDMAN: All right, thank you.

HILKEMANN: Are there additional questions?

KELLY KALKOWSKI: Thank you.

HILKEMANN: Thank you very much.

JOSUE GUTIERREZ: Hello. Good afternoon, members of the Appropriations Committee. My name is Josue Gutierrez, spelling is J-o-s-u-e G-u-t-i-e-r-r-e-z. So I'm a local family physician practicing in Crete

right now and I'm speaking on behalf of the Nebraska Academy of Family Physicians as well as, as Friends of Public Health. Today, I speak in support of LB1018, which will actually create very critical funding to the local public health department system. Now I am the vice president of Public Health Solutions on the Board of Health. And Public Health Solutions is serving around 56,000 individuals in the rural southeast Nebraska counties of Fillmore, Gage, Jefferson, Saline, and Thayer. As a board member, I see firsthand the tremendous responsibility that is placed on local health departments. In addition to emergency planning, infectious disease surveillance, and all the programs that we traditionally latch onto it or attribute to health departments, public professionals must constantly monitor the district for gaps in resources and services. It is the goal of public health to actually make sure everyone in the community has a fair-- have equitable access to resources that can utilize those resources to maintain optimal health and safety. In short, public health is strong-- builds strong, healthy communities and they need your support and commitment to continue their work. For the past three years, we have worked in partnership with PHS, Public Health Solutions, and we have been able to provide a clinic for patients with chronic disease conditions. The clinic was a direct result of a community health assessment that we had and the planning that occurred all at a local level. There have been many patient success stories from this clinic. We have it every last Tuesday of every month and it's a, it's a free service to all that are underserved. So we have had many people come in with multiple comorbid conditions, such as uncontrolled diabetes, some mental health issues as well. And there are countless stories of how we have controlled their diabetes, but also how we have been able to help them and give them the resources to control their lives as well. So this is really one little snippet of what a health department can do. Health departments, they assist the community and they develop a resource to meet that need. This is only one example. This example is only one example of the partnerships that local health departments across the state can do. They see the needs. They work in our communities 24-hours-a-day and 365-days-a-year to develop resources to meet those needs. Imagine what we could do with more funding. Local health departments are much more than safety nets for those individuals that lack resources. There are drivers of the-- for each community, causing changes that benefit everyone. We work with leaders and community partners to make system-level changes for our communities. From working with landlords to provide safer housing to providing mass flu immunization clinics in our schools, local public health departments are asked to safeguard the health and wellbeing of the entire

population. That's a great deal of responsibility we ask for them to do with very limited resources at times. So the mission of Public Health Solutions is to prevent disease and injury, promote wellness, and protect the personal community and environmental health of all people in their district. This is a tall order, but one we actually take very seriously, as does every local health department across the state. So we ask a great deal of the public health departments and their staff members. Now it is time. We would like to provide them with tools they need to continue their appointed work. Local health departments are good stewards of what we are given, of the funds that have been entrusted to them. Every dollar you provide the local health departments will actually stay in the community. We are working to build stronger, safer environments for everyone and living in that-- for everyone living in that community and our health departments have direct results of the assessment and planning of that at the local level. So in conclusion, I would urge you to please appropriate the full amount of requisite funds to the local public health system in our state. I can think of no better use of our state funds than investing in strong, healthy communities. So thank you and I'm happy to answer any questions.

HILKEMANN: Are there questions?

JOSUE GUTIERREZ: Thank you.

HILKEMANN: Thank you, Doctor, for being here.

PAT LOPEZ: Good afternoon. I'm Pat Lopez, P-a-t L-o-p-e-z. I'm currently the interim health director at Lincoln-Lancaster County Health Department. And I'm here today to testify in support of LB1018 on behalf of Friends of Public Health, which is all our local health directors in the state. When Senator Jim Jensen and Senator Dennis Byars, the Chair and Vice Chair of the Health and Human Services Committee, prioritized the creation of a local health department system in Nebraska, none of us could have imagined how rapidly a strong, statewide local public health system would develop. When LB692 was passed in 2001, the original funding for public health for population health and infrastructure was established. In fact, I worked with the senators on the development of the, the current legislation now in the Appropriation room, the Health Care Cash Fund, and people thought it would take a long time before we would really get a system built. And with-- within a year, we had all 93 counties in our state covered with local public health, which says something about the needs that were present. You have heard from previous

testifiers about the work of local public health departments in, in their communities. Responses to flooding in our communities and emerging communicable diseases have taken a toll on our limited resources, but we must respond. And Senator Erdman, one of our testifiers today, a health director, is ill with influenza, but she made me sure-- she wanted to be here to share what's happening in their area with the flooding. But up in Dodge County and some of the surrounding area, they already had evacuations over the weekend due to the flooding. So I want to just say, too, in response to a lot of the great examples you heard from Dr. Pour and Kim Engel, we have many more examples we could share with you. We've formed partnerships, task forces, and coalitions to leverage funds to address unique public health needs in local communities, whether it's high rates of cancer, smoking, diabetes, heart disease, low birth weight, fluoridation of water, lack of adequate dental, medical, or child care, the need for bilingual interpretation, injury prevention, automobile crashes, seatbelt usage, underage tobacco and alcohol use, addressing meth and other drug use in the community, domestic violence, disease outbreaks, worksite wellness, our environmental health hazards; local public health responds based on those community needs. And I just want to share with you an example of that in assuming some of our leadership role in coordination and planning to meet these health needs. And we've been successful in bringing together local organizations to address the public health communities in each district based on those needs identified. Health departments are the leaders in developing healthy communities across the entire state. And I wanted to share with you this little booklet. This is a booklet that's prepared in Lincoln with our local health department in partnership with our Community Health Foundation and the Endowment of Lincoln. But if you want to notice, one of the things that our health department does is analyze the data and map the data. And on the very last page, in our very own community right here in Lincoln, you can see on page 14 that there's a 20-year age difference in mortality just based on where you live within five miles of each other. There's other statistics in here about visits to primary care, insurance coverage, dental care, prenatal care. These are all things that we are using to try and identify where we need to put the most resources to improve health outcomes. And we do this in partnership with those in the community. So you can see where some of our central areas of the greatest need are. So I thought that was a good example to be able to give you a visual of what we're doing. As you've heard already today, the demands on local public health have increased dramatically in 19 years since our departments were formed and the current resources are not

supporting the huge challenges of public health in Nebraska. Our local public health funding has not kept up with inflation and population growth. New dollars are critical to meet this ever-increasing workload and will allow our communities and their public health departments capacity to respond to current and emerging public health threats and provide critical resources to address their statutory responsibilities. And I want to say, you know, just as a reminder, our local health departments leverage funds into the community. We could give you a lot of examples where we've worked with the Community Foundation to bring additional dental care resources where we have provider shortage areas and on and on. But I just want to be respectful of the committee's time and again, I just urge you to support LB1011-- or LB1018. And I also provided you a letter from our Board of Health president at Lincoln-Lancaster.

HILKEMANN: Are there questions for Ms. Lopez? Senator Clements.

CLEMENTS: Thank you, Senator Hilkemann. Thank you, Ms. Lopez. You just talked about getting funding from other places; that was what I was curious about. Does the county contribute to this-- out of county general funds?

PAT LOPEZ: Our county does, yes.

CLEMENTS: It does. Do you know if other counties do? Is that a statewide requirement?

PAT LOPEZ: A few of them do.

CLEMENTS: It's not a requirement, though?

PAT LOPEZ: No, and I think, as you know, after the health departments were funded, there has been several changes and additional requirements that have been moved down to county-- counties that they now have assumed responsibility for for additional-- with funding.

CLEMENTS: And I see in the bill it says $150,000 is going to be divided equally among the departments. Does that mean that-- $150,000 divided by 18 is $8,333 per--

PAT LOPEZ: No.

CLEMENTS: --department?

PAT LOPEZ: No, it's $150,000 per health department. Based on that infrastructure, I think Senator Vargas referred to, there's some base funding and then there's population per-capita funding. And I can explain that-- why that is.

CLEMENTS: I think the word "divided" then should be "allocated equally" instead of-- if you're dividing $150,000 by 18, you don't get $150,000 each, but that's something the drafters can do.

PAT LOPEZ: OK.

CLEMENTS: So then the other $3.8 million is proportional based on population in the area you serve and then how is the rest of it allocated; do you know?

PAT LOPEZ: Right now, there is a formula. And so it's based on the infrastructure. I didn't put all that-- those dollars in here, but I can give you-- how it's divided up is there's a base amount of funding, which that $150,000 would add-- some of the departments, depending on their population size, Senator Clements, they are allocated between $50,000-- and so the $150,000 would go with that base to help them with just what we call infrastructure, then the rest goes to per capita. If we had just had one formula and just said, OK, we're going to put this out and you divide it up by population, what would happen-- for example, in your area or Senator Erdman's area, if we looked at all the counties-- so by looking at an infrastructure piece and providing that base funding and then the per-capita funding, it allocates-- it allows departments to develop effective work.

CLEMENTS: That was a concern of mine; that by using population for all of the funds, that it would end up in Lincoln or Omaha with the majority.

PAT LOPEZ: Right, exactly.

CLEMENTS: The current formula of the Health Care Cash Fund does allocate a base amount plus some population.

PAT LOPEZ: Right.

CLEMENTS: Thank you.

PAT LOPEZ: Um-hum.

CLEMENTS: It sounded like you were a person who would be aware of that. I've been waiting to ask that question for somebody who knew.

PAT LOPEZ: Well, I'm glad I can help.

CLEMENTS: Thank you.

PAT LOPEZ: I've spent many nights here at the Capitol in the Appropriations and Health and Human Services for working on that.

HILKEMANN: Additional questions? Senator Clements said-- so picking on what-- so now you made the comment that not all of these county-- or all these health departments get money from their counties.

PAT LOPEZ: Right.

HILKEMANN: Would those health departments that are getting no county aid get the same amount of aid as the counties that do support their health department?

PAT LOPEZ: Yes, um-hum, yes.

HILKEMANN: There's no difference?

PAT LOPEZ: No--

HILKEMANN: OK.

PAT LOPEZ: --because then you let-- proportionately, probably our largest areas are Lincoln and Omaha. So you look at-- probably looking at the base of the need in those areas and what needs to be done. So it's distributed equally. And the other thing, Senator Hilkemann, is that to protect the opportunity for counties to say, well, now we have these Health Care Cash Fund master settlement dollars, we're not going to support local-- our local health departments. The legislation prohibits that from happening.

HILKEMANN: OK, great.

CLEMENTS: Can I follow up?

HILKEMANN: Yes.

CLEMENTS: Just to get things correct-- clarified, $150,000 times 18 is $2.7 million. Then if you add that to the $3.8 million, that uses up the $6.5 million of requests. Is that--

PAT LOPEZ: Correct.

CLEMENTS: --the idea?

PAT LOPEZ: Right.

CLEMENTS: That makes more sense to me. Thank you.

PAT LOPEZ: OK, yes. Thank you very much and thank you for all you do.

HILKEMANN: Did-- were you ready to ask that other question? OK. Are there additional proponents for LB1018? Are there those who would wish to testify in opposition to LB1018? Is there anyone here who would testify in a neutral position on LB1018? Senator Vargas, would you like to close on LB1018?

VARGAS: Thank you very much, members of the Appropriations Committee-- those that are still here, at least. The only thing I'll say is-- not only the testifiers, but you should have letters from public health regions from across the state-- letters of the record. And I think this is one of these instances where there is an inherent need beyond just one section of our state. There is a need to then focus on preventative measures in our communities. And we are lucky to have public health professionals and staff that are doing this work. Every time we look at a health outcome in, in our community, you can trace it back to a preventative step, nearly every single one. We talk about cancer. We talk about lead poisoning. We talk about any, any of-- disaster preparedness-- anything, to some extent, that affects the public health in our community can be traced back to a preventative step. And that's the reason why I see this as an economic driver. So my ask to this committee is to consider this as a piece of-- a step in the right direction for our state when we're putting together our budget, our mid, mid-biennium budget request and a way to invest resources in something that we can see that prevention truly is a really strong investment in our public health. With that, I ask for your support for this bill. I'm happy to answer any additional questions.

HILKEMANN: Are there-- Senator Erdman.

ERDMAN: Thank you, Senator Hilkemann, and thank you, Senator Vargas. Senator Vargas, so, so I'm clear on this is-- we're asking to increase the appropriation from $7.5 million to $14 million, right?

VARGAS: Correct, yes.

ERDMAN: That's a pretty bold request.

VARGAS: I, I wouldn't necessarily characterize it as bold. I would characterize it as pragmatic based off of the growing needs of our state.

ERDMAN: I just wanted to be clear when I added it up right.

VARGAS: Thank you, you did.

HILKEMANN: Senator Dorn.

DORN: Thank you, Senator Hilkemann. And I guess my question is a little bit more about maybe the history of this. I mean, it started funding out of the Health Care Cash Fund and then we-- then the Legislature appropriated some additional funds. I'm trying to, I guess, learn more about that or, or-- why originally on the Health Care Cash Fund and then why didn't they take more funding out of that and why did they appropriate money-- if you know any of those, I don't know. I mean, I'm--

VARGAS: I can't speak to what our past Legislature-- their intent was or what they did. What I can tell you is, yes, that big infrastructure came out of the Health Care Cash Fund. There was some General Funds, but one thing that I can tell you is it has remained fairly stagnant. We haven't touched it, either from the Health Care Cash Fund, the General Fund, in a significant amount, at least to keep up with, you know, inflation and need and what we're seeing across the state. But we can look a little bit more into historically, what we may have done; even previous to the Health Care Cash Fund.

DORN: Do you know when the last time-- I-- more-- General Funds or the Health Care Cash Fund was increased or more funding was increased, I guess?

VARGAS: I'll have to double-check on when-- the last time we did that. But I do know that the last time we had-- somebody may be able to get this information afterwards so we could put it-- we can, we can get it

to you. But the last time the Legislature used the Health Care Cash Fund was $5.6 million, was 18 years ago.

HILKEMANN: Senator Dorn, Ms. Hruska has just let me know it was '14 or '15 that that was increased.

DORN: The last time was in '14 or '15?

VARGAS: The General Fund.

HILKEMANN: OK, General Fund.

DORN: On the General Fund. OK, thank you.

HILKEMANN: Additional questions? We, we only have 27 letters of support for this bill. So with that, we will close the hearing LB1018 and we will begin the hearing on LB1019. And Senator Vargas, would you like to introduce that?

VARGAS: Sorry to make your job harder, Hallett. Good afternoon, members of the Appropriations Committee. And Senator Hilkemann, thank you very much. I have the pleasure of representing District 7. My name is Tony Vargas, T-o-n-y V-a-r-g-a-s. I represent District 7, the communities of downtown and south Omaha in the Nebraska Legislature. I mentioned this in my previous testimony; one of the things I want to make sure that we are investing in is preventative healthcare and also our current healthcare system. LB1019 appropriates $3 million of General Funds to federally-qualified health centers around the state. The funds are to be distributed proportionally among the seven centers based on the previous fiscal year's number of uninsured clients. Our federally-qualified health centers provide primary healthcare, including medical, dental, and behavioral health services to more than 100,000 Nebraskans at 69 sites across the state. Services are provided regardless of any individual-- individual's ability to pay using a sliding fee scale. Now these centers rely on grants and other funds to keep their doors open and to keep providing services for the most vulnerable in our communities, including homeless individuals, refugees, and children. Our health centers do amazing work with very limited resources they have, but they still aren't able to treat all of the people who need their services. Appropriating these additional funds would allow them to serve thousands more Nebraskans. There will be folks behind me who can testify about the intricacies of their work and what they do with these funds and why they are so needed. With that, I'll close and try to answer questions. The only thing I will

mention is-- and what we handed out is a just a, a very brief one-pager on federally-qualified health centers across the state. And that also includes a profile for your district specifically. With that, I am happy to answer any questions.

HILKEMANN: Are there questions for Senator Vargas? Senator Erdman.

ERDMAN: Thank you, Senator Hilkemann. Senator Vargas, what's the difference between a federally-funded health center and what we just heard about?

VARGAS: A federally-qualified health center is providing primary care and also some level of preventative services; so medical, dental, and behavioral health. But when we're talking about public health regions, they're focused on community health, preventative health for-- and public welfare health for this-- the entire state. I think one is more focused on individuals-- and that's what this is-- and the other one is focused on a community and a population as a whole.

ERDMAN: Thank you.

HILKEMANN: Additional questions for Senator Vargas to begin? OK, proponents for LB1019?

ANDREA SKOLKIN: Good afternoon, Senator Hilkemann and members of the Appropriations Committee. My name is Andrea Skolkin, A-n-d-r-e-a S-k-o-l-k-i-n, and I am the board chair for the Health Center Association representing Nebraska's seven community health centers. I'm also the CEO of OneWorld Community Health Centers in Omaha. Nebraska's seven community health centers provide comprehensive, culturally-appropriate primary care to over a 100,000 patients statewide, as you heard, at 69 different sites. We are a critical component of this safety net in Nebraska and nearly 48 percent of health center patients are uninsured and 93 percent low income. On behalf of HCAN, or our association, I encourage support of LB1019, which would provide an additional $3 million in funding to federally-qualified health centers in Nebraska. This funding is essential to the expansion of direly-needed medical, dental, behavioral health, substance abuse, vision services across the state. We provide care to all individuals, as Senator Vargas said, regardless of ability to pay and those who lack health insurance cost share with a sliding fee scale. Those below the poverty line are only assessed a nominal fee. For example, a typical fee, though it varies center to center, for a medical visit is $35 dollars, all-inclusive of

everything that is provided in that visit, which is far below what it costs in the healthcare marketplace. With nearly half of our patients lacking health insurance, additional funding is critical to expanding operations across the state. The additional funding would be enough, we estimate, to serve an additional 6,700 patients annually. Many of our health centers expanding access-- actually, all of our health centers-- is a priority. And an example is Bluestem Health Center here in Lincoln, who has a-- more than a three-month waiting list for a new patient to get an appointment. Heartland Health Center in Grand Island has reached-- and they're the newest health center-- reached their capacity in their current space and needs additional space. As Nebraska moves forward with Medicaid expansion, it is critical to ensure that when patients get insurance, they have somewhere to receive care. Studies have shown that uninsured populations often delay care and have pent-up, unmet need when they do obtain coverage. In many areas, health centers are the only entity accepting new Medicaid patients. Moreover, even after expansion, there will be-- still be an uninsured population that needs access to care. Nebraska's FQHCs are pivotal in accepting and welcoming these patients and providing high-quality care. The Nebraska Legislature has recognized the importance of health centers by providing supplemental funding since 2001, 2002. And over the years, the FQHCs have used this funding to help expand services. In 2002, there were not quite 22,000 patients served and in 19-- in 2018, it is now over 100,000 patients. That's a dramatic increase in growth. We have expanded the number of service locations from 39 to 69 and we are serving 40-- in 2018, just in the past five years, increased by 46 percent the number of patients served. The health centers have opened new locations, more medical, dental, behavioral health, added providers, added new critical programs for substance use called Medication-Assisted Treatment. And yet, at the same time, there's still patients that are not able to get appointments at the health centers and we want to be sure that everyone in Nebraska has access to care. I'd like to thank Senator Vargas for introducing this bill in the Legislature and all of you for continuing to support community health centers. And I'd be happy to answer questions.

HILKEMANN: Are there questions? Senator Dorn.

DORN: Thank you, Senator Hilkemann. Thank, thank you for being here today. And I don't know if you can answer this one or not, but one of the handouts that we originally got was there is seven health centers

in Nebraska and in the bill, it outlines them at-- there's 68 sites statewide. What are those; all satellite offices?

ANDREA SKOLKIN: Yes, those would be a, a health center that has locations in other cities, spreading it out wider.

DORN: But under the umbrella of--

ANDREA SKOLKIN: The health center.

DORN: --a parent one, basically?

ANDREA SKOLKIN: Yes.

DORN: OK.

HILKEMANN: Senator Erdman.

ERDMAN: Thank you, Senator Hilkemann, and thank you for coming. So in your, in your comments you made that-- you treat how many people that are uninsured? What's the percentage; 48 percent, did you say?

ANDREA SKOLKIN: Yes, 48 percent across all seven health centers.

ERDMAN: OK.

ANDREA SKOLKIN: Each health center is slightly different.

ERDMAN: So what happens then when Medicaid expansion kicks in?

ANDREA SKOLKIN: Senator, I anticipated that question. When Medicaid expansion kicks in-- granted, some of our patients will be eligible for Medicaid, but not all because many of these patients are working jobs where health insurance is not offered. And so they wouldn't be able to get it for Medicaid. It only goes-- will only go to 138 percent of poverty. And so there is a gap between the 138 percent of poverty and being able to afford healthcare.

ERDMAN: So I noticed in the sheet that you handed us--

ANDREA SKOLKIN: Um-hum.

ERDMAN: --it talked about the healthcare centers in 2018. And third on the list, it said 93 percent of the patients were low income--

ANDREA SKOLKIN: Um-hum.

ERDMAN: --under the 200 percent poverty level. So my understanding of that is, in my district, that number-- in a family of four, that number is plus $52,000, OK?

ANDREA SKOLKIN: Yes, Senator, that's correct.

ERDMAN: And that, that is a pretty significant income in my, in my district. I don't know what it is here, but-- so this would cover those people-- these people that come there. And you're saying 93 percent of them are below the $52,000?

ANDREA SKOLKIN: Yes, the patients served and those that are at 138 percent of poverty and less-- well, down to about 58 percent where the Nebraska Medicaid eligibility is now-- will be eligible. But those at a higher level-- 138 percent to the 200 percent, which is that $50,000 figure-- are not going to be eligible for Medicaid.

ERDMAN: Thank you.

HILKEMANN: Andrea, I've got a-- there was a-- Senator Erdman asked a good question at, at the start of this and I, I would-- I think it-- you would be able to expand on the answer that was given on the difference between the public health, the public health service and the federally-qualified plans that the Senator asked about.

ANDREA SKOLKIN: That is a great question. The-- it depends on the area of the state that you're in, but most health departments are not in the direct service business. Federally-qualified health centers are in direct service. We all partner with our health departments and use all the data and surveillance that they do so that we know where the needs are. And they have multiple other functions that we do not, but our job is to provide access to healthcare, actual direct healthcare.

HILKEMANN: OK. Senator Clements.

CLEMENTS: Thank you, Senator Hilkemann. Thank you, Ms. Skolkin. I was curious as to why are these-- this large amount of people uninsured since we have the Affordable Care Act that anybody can qualify for or Medicaid?

ANDREA SKOLKIN: Yes, and that's, I think, a question that many people have. Though-- the health insurance premium assistance program through the marketplace; not all people take up or qualify for and it depends

on their income what that premium assistance is. And again, it goes back to-- separate from that, working multiple part-time jobs. I think it becomes more difficult to provide all that information and they have to be denied from Medicaid and the systems work together. And it's still-- as you make a little more income, it gets more expensive for the individual that's signing up for marketplace products.

CLEMENTS: And so as a health insurance agent trying for-- help people with the marketplace--

ANDREA SKOLKIN: Sure.

CLEMENTS: --and getting turned down for Medicaid comes to-- takes two or three weeks.

ANDREA SKOLKIN: Um-hum.

CLEMENTS: For example, a, a single woman and a widow in her 60s who is going to be a $900 a month premium, she's paying $80 a month. And I just think-- I just hope maybe the public health people or you people could maybe try to direct more people to the marketplace. I think there is affordability there, depending on your situation. And you're federally qualified-- does the federal government then match some of the funding the state gives you?

ANDREA SKOLKIN: Great question, Senator Clements. I want to make sure that you know that the federally-qualified health centers have very robust enrollment programs; enrollment in Medicaid and in the marketplace. So we are working for those that qualify to get them enrolled. And then in terms of the federal support of community health centers, it's, it's not a matching program. And those grants are, kind of, baseline grants. The federal government uses this public-private partnership concept and says you apply, you compete nationwide. We'll give you "X" amount of dollars. You need to bill Medicaid, bill insurance, and go find other resources-- state and private philanthropy for you to make up the rest. But the ultimate goal is to help defray the costs of the uninsured, but the amounts received from the federal government don't cover it all.

CLEMENTS: Thank you.

ANDREA SKOLKIN: Uh-huh.

HILKEMANN: Senator Dorn.

DORN: Thank you, Senator Hilkemann. I guess to piggyback on his question then, do most of the federal funds-- do they come directly to the agencies or is that into Health and Human Services, then allocated out?

ANDREA SKOLKIN: Senator, we are very fortunate to work direct for federal money, direct with the federal government. And we have accounts and we draw that based on-- after the fact, based on our expenses. So it doesn't go through the state, which is fortunate because at every level, we know there's always a piece that needs to support infrastructure.

DORN: Thank you.

HILKEMANN: Are there additional questions?

ANDREA SKOLKIN: Thank you.

HILKEMANN: Seeing none, thank you very much for being here.

KATHY NORDBY: Thank you, members of the Appropriations Committee. Again, I am Kathy Nordby, K-a-t-h-y N-o-r-d-b-y, and I'm here on behalf of the Health Center Association of Nebraska and representing the seven community health centers. And I'm the CEO of Midtown Health Center in Norfolk. My specific purpose here, in countering Andrea, is to talk about the rural impact of these dollars and what it would mean in the rural communities outside of Omaha and Lincoln. We served 27,000 patients in 2018 and they were served by federally-qualified health centers. Overall in Nebraska, 12 percent of Medicaid enrollees are seen in a federally-qualified health center and that included over 20,000 children. I think it's really important to understand that in many of our rural communities, they're not seeing Medicaid. There's access limitations and so we are the primary provider of care for many of our Medicaid population. We really appreciate Senator Vargas introducing LB1019 and would appreciate your conscious support of that effort. As a safety net, as we talked about in my previous testimony, the shortage of providers is getting more and more dire in some rural communities and so using every tool that we can to maximize that-- but at my own services in my area-- and I think this is reflected across the state-- that we're all introducing additional services because there's been a lowering of, of ability to provide the services elsewhere in the private sector where the demand is increasing because of the unique characteristics of the community. We served-- in the past year, one of these service expansions that you've talked about

with the locations is that we were approached by Norfolk Public Schools to provide behavioral health services in each of their elementary school zones. So that added eight locations because they have eight elementary schools. We had previously and, and continue to provide services, K-12, in the community of Madison. That was an additional service. They were seeking help to respond to a need for their, for their students. Right now, we-- since the beginning of the school year, we've had over 200 referrals and are exceeding our capacity to deliver that service. And so it, it just really speaks to the need and the, the demand that it-- I could use additional infrastructure to, to meet that demand and not have children under the age of five-- fifth grade waiting for access. We're also in the process of opening a women's health clinic in the community of West Point, where we were invited by the local hospital to partner with them and to provide additional supportive services that they're not able to provide. And we're hoping to turn that into a full, full-service clinic by the end of the calendar year. So I take my needs in my community and, and compare that to the community action in Gering. In the last year, they took over and added ten behavioral healthcare providers because they had an infrastructure through the regional funding system and they lost their provider. And so the region stepped-- the Community Action Agency stepped in to start providing increased behavioral health access in their facility. Grand Island-- the Heartland Health Center in Grand Island; they opened a "quick sick" clinic to offer acute access for people that are low income and they will be opening a clinic in Ravenna. And so it, it can be-- talks about not just the major community like Norfolk, but then I have services in Madison, in West Point. I even have partnered-- as you talk about partnerships with public health, they are allowing me to offer tele-mental health in O'Neill because we had children-- I have a pediatric psychologist, which is a wonderful gift to us. And we had patients that lived four hours away and they couldn't come into weekly therapy. But by shortening that to just 40 minutes from O'Neill, when they come from a community in Alliance or Ainsworth and those communities, that created a, a stopping point. And I was able to work with the public health department there to offer it to increase the access in a secure setting and creates the ability of that child to receive care. So I got-- I'm getting into the weeds a little bit, but really, this investment, I believe, will save you dollars and it create-- increases economic impact. Data here shows that we added 14-- nearly 1,500 jobs in Nebraska last year. That included over 230 licensed providers; medical, dental, behavioral health. That has an economic impact of $172 million and generates $24 million in annual

taxes. In addition to that, we're a great investment because time has shown that if we're providing the services even to the Medicaid insured, we are saving the whole healthcare system up to $158 million and that includes $66 million in Medicaid annually because we do think smarter and, and wiser and in a preventative fashion. So I really appreciate you can-- your consideration and support for our, our work and I'd be happy to answer any questions.

HILKEMANN: OK, thank you for your testimony. Are there questions? Senator Dorn.

DORN: Thank you, thank you, Senator Hilkemann. Thank you for being here again. But I guess that last part intrigued me a little bit there. You said we, we, we're saving the rural healthcare systems $115 million a year, including $66 million to Medicaid, which would be the state's cost of Medicaid, basically, you're saying?

KATHY NORDBY: Well, it's the total cost and so I think it's your ratio of whatever your percent you would pay in that. That's my understanding of that. But there is some research done at the federal level where they, they invest in federally-qualified health centers. They use their research dollars to say are you doing a good job? And they give us enhanced reimbursement for-- or cost-based reimbursement for Medicaid. But we still save them dollars because we're more likely to treat the whole patient and do the preventative care, making sure they're getting their screenings a little ahead of the curve, working on those social determinants. In a-- in a traditional primary care, it's, it's more patient or incident based-- that they're there for a purpose and that's what they're seen for.

DORN: And then you talked about the, the elementary schools and the fact that you're, you're servicing all-- like in Norfolk or wherever you're servicing. What, what-- I guess what's the thought behind that or what is-- because there's the need there or why is that something that's happening?

KATHY NORDBY: Well, in other committees, I know they're bringing in testimony asking to put a social worker in every school. The Norfolk Public Schools followed Madison's lead, who was ahead of the curve, but they were having a lot of, a lot of social issues or behavioral issues with kids. And, and school counselors are trained to, in a very discreet way, to, to handle certain things. And so we're really-- went out with this and are approaching this from a partnership standpoint, trying to reduce disciplinary action on kids, interruption of other

kids, and we want to make it affordable so we apply our sliding fee. We actually benefit because in our behavioral health setting, we're having a 30 or 40 percent no-show rate. Well, if we go to them and that child is in school that day, we are sure that we can get there and work with that. We-- so we work with the parents that-- usually the referral is coming from the teacher that goes to the guidance counselor or the principal that says Johnny's having trouble. If you can get a few sessions with him trying to reduce the-- and we're trying to improve grades, improve attendance, work with the family unit on whatever's creating that disruption in that kid's life.

DORN: How is, how is that funding worked out then or is-- I mean it-- or, or is it all the agency picking it up or some school or, or is there-- even related back to the family--

KATHY NORDBY: Yes, so--

DORN: --in certain situations?

KATHY NORDBY: And it's different in, in Madison. They applied for a grant-- the school did-- and asked us to come in where we started that. In Norfolk, we had a partnership and I was actually-- had access to expanded funding from the federal government to increase behavioral health services. So I used that funding, but what we're finding is that patient-- parents, especially, like, at this time of the year, if they have a $6,000 deductible and aren't even low income, they'll say, you know, Johnny's not that bad. Let's just ride it out because they don't want to use that cash up front. So we have a community partnership and this is something that I think Governor Ricketts and his wife are sponsoring with Bring Up Nebraska. And so we try to access funds so when parents aren't-- are resistive and the school still believes the child would benefit, that we try to work with the community to give us that extra support because I have to maintain my federal expectations of charging everybody the same and doing whatever I can to increase that access. So it's a big dance is what I do.

DORN: Thank you.

HILKEMANN: Additional questions? Seeing none, thank you very much.

KATHY NORDBY: All right, thank you for your time.

HILKEMANN: Are there additional proponents for LB1019? Is there anyone here who would like to testify in opposition to LB1019? Seeing none,

are those who would like to testify in-- consider a neutral position for LB1019? Seeing none, Senator Vargas, you're open to close on LB1019.

VARGAS: Thank you very much, my dwindling Appropriations Committee. So I appreciate this conversation. I-- the only thing I really want to add is when we look at the whole sphere and ecosystem of healthcare, I'm really trying to focus on how we're impacting those that are the most vulnerable. It's why I introduced these two bills. And this bill in particular is really trying to prioritize utilizing the existing program, federally-qualified health centers. That is meeting an inherent need. It has an infrastructure and a federally-regulated infrastructure that is, that is looking at all different sources of revenue, one of them being the state, and ensuring that we are trying to be cost effective. For every visit that we're seeing in a community health center, we are seeing a substantial reduction in costs to our healthcare system versus somebody entering our emergency departments. We hear that statistic very often, but it's more than facts here because this population that you're seeing the statistics showing, 50 percent of those-- nearly 50 percent of those going into a federally-qualified health center in our state are uninsured. Had they not gone to an FQHC, they would be entering our system in another way that is going to inherently be more expensive if they do. Now I want you to imagine if they don't enter our healthcare system. We're talking about trying to ensure that people are working, that people are in our workforce. This is just going to further exacerbate that issue if we can't get more people into our workforce. Instead of introducing a brand new program, piloting something, I think it's incumbent upon us to look at what existing structures and things are working. Just like I said with the public health regions, FQHCs are working and they're meeting an inherent and unmet need. They're also being a little modest. Nebraska's community health centers rank among the top in the country. I believe they're ranked either the first or second in the nation's 1,400 federally-qualified health centers. It's going to save us nearly $160 million to our overall health system. Every single year, that's what they are saving us. I know sometimes when we look at a number, we're looking at it-- just how much we're investing in the moment. But just like we look at workforce or we look at investments in education or into our higher education system, I ask you to look at the cost savings and the economic impact we have when more people and their families are healthy; can then work and are not entering our system reactively. With that, I want to thank you. I appreciate the conversation. I hopefully got a lot of your questions

answered regarding federally-qualified health centers and that this is a way to address the preventative need specific to the individual. Thank you very much.

HILKEMANN: Are there questions? All right, we have one letter of support from Nebraska Medical Association regarding LB1019. And with that, we will close the hearing on LB1019 and open the hearing on LB1102. Senator Walz.

WALZ: Hello. Where did everybody go today?

ERDMAN: The important ones are here.

WALZ: That's right. Good afternoon, Vice Chairman Hilkemann or--

HILKEMANN: I was at one time. I'm filling in today.

WALZ: --Senator-- OK-- and members of the Appropriations Committee. For the record, my name is Lynne Walz, L-y-n-n-e W-a-l-z, and I proudly represent Legislative District 15. I'm here today to introduce LB1102, a bill to appropriate $250,000 from the General Fund to the fiscal year 2020-2021 to DHH-- to DHHS for Program 514 to provide reimbursement for tuition and fees for the initial and ongoing training of volunteer emergency medical care providers. The department already reimburses all the entities for a portion of their test expenses, provided they successfully pass the examination in the first two attempts as well as continuing education. I felt that in an effort to increase volunteers throughout Nebraska, we should examine the possibility of further incentivizing rural EMTs. An average EMT salary in Nebraska is around $33,500, only about $1,000 above poverty, poverty level for a family of four in Nebraska. Their job involves putting their own health on the line to improve the health, health of another. They often have to handle hazardous chemicals, the-- excuse me-- the bodily fluids of another person, or patients with infectious diseases, which could potentially put them at risk. I think by-- I think we should be paying these emergency responders more than they are being paid right now, considering the fact that many of them have to pay for a portion of their test out of their pocket and that there are volunteers doing this job in rural areas across the state for no compensation. The least we can do is help cover the cost of what it takes for them to be certified. Nebraska communities depend on volunteer EMTs for sporting event accidents, home emergencies, and natural disasters. The ability to retain and recruit volunteer EMT staff has proven very difficult. According to a study done by the

Nebraska Center for Rural Health Research, around 60 percent of rural EMT providers rely heavily on volunteers and 70 percent of rural EMT providers reported difficulty recruiting volunteers to meet the staffing needs. This research is a few years old, but I think we can safely assume that this problem has not gotten any better. Volunteer EMTs who have retired after five years or plan to retire within five years have noted the second most-common reason reported for leaving was training requirements and the funding for training requirements. In fact, when EMT providers were asked what they thought would increase volunteer recruitment and retention, the top three answers were, were offer to pay, to ease the burden of training, and to make training accessible. Our communities depend on our volunteer EMTs to protect and assist them in times of dire need. Last year, during the flood, our first responders worked tirelessly to help in the rescue op-- efforts. Many of those first responders were volunteer EMTs who were helping out of the goodness of their heart while paying to do so out of their own pocket. And I know just last weekend, you may have seen the article in the paper where we had two volunteer EMTs rescue-- or volunteer EMTs rescue two individuals-- was it four individuals or two-- from Waterloo after the, the ice jam had broken up. So with that, I would urge you to advance this bill. And I'll try-- I'd be happy to try and answer any questions if I could talk for just one second. [LAUGHTER]

HILKEMANN: Senator Erdman.

ERDMAN: Thank you, Senator Hilkemann. Thank you, Senator Walz, for coming. To answer your question, where is everybody, the important ones are here.

WALZ: Yes.

ERDMAN: OK.

WALZ: I see that.

ERDMAN: So the, the appropriation is another $250,000 on top of the, on top of the $292,000 they currently get, is that correct?

WALZ: Yes.

ERDMAN: Is this an ongoing appropriation year after year? Is that what your intention is?

WALZ: Yes.

ERDMAN: OK, how does that-- how are those funds distributed? I mean, is it-- is there a waiting list of people waiting to be reimbursed?

WALZ: I don't think there's a wait-- I think it would start in 2020.

ERDMAN: OK.

WALZ: I don't think it would be retro-- obviously, it wouldn't be retroactive.

ERDMAN: OK, so would-- and it said in here-- in your bill, it said for the first two attempts-- if you don't make it the first two times you're done or what? How does it work?

WALZ: Apparently.

ERDMAN: Really?

WALZ: Well, you wouldn't get the reimbursement.

ERDMAN: OK, anyway--

WALZ: That's the way DHHS does it now.

ERDMAN: Oh, OK. And I, I agree with you on the, on the volunteers. I can't believe people even volunteer to do all that they do for what they get back for it. So, yeah. So it will be $542,000 a year going forward. Do you know how many people would be eligible for that and how many use it now?

WALZ: Oh, just a second. Let me-- I do have that, I think. I can tell you that in 2019, there were 382 people who attempted the national registry at least once.

ERDMAN: 382? In your comments, you said something about the poverty level for a family of four. Can you go review that for me just a second?

WALZ: Yep; $33,000, I believe it was.

ERDMAN: How much?

WALZ: $33,500--

ERDMAN: That's for--

WALZ: On the-- yep, $33,500.

ERDMAN: -- a family of four? OK, thank you.

HILKEMANN: Senator Dorn.

DORN: Thank you, Senator Hilkemann. Thank you for bringing this bill. I, I, I guess I appreciate the, the, the thought here. And I don't, I don't know what every squad is, but I do know our squad there in Adams, when we have someone new take it, the cost can be-- it depends on where you can get the education-- I mean, where you can get the funding at. It's-- some are going to cost you at least $1,000, probably up to $2,000. And then you now have to pass federal-- you have to pass a federal test and you are allowed-- if you don't pass the first time, you're allowed so many months, maybe a month or two later, to take it again. And then if you don't pass it, then there's other guidelines that-- you, you, you almost have to take the testing over. And if the hands-on part of that testing you fail, you fail the course. So the requirements are so strict that a lot of people don't want to put in the time and the effort. In our squad, they're all volunteers and that's why-- you know, without help paying for this funding, the average-- I call it wage earner-- the average person that's out there having a job, they don't necessarily have this extra money around there. So I really appreciate you bringing this, this bill or whatever. Back to Senator Erdman's a little bit, I guess, this would fund-- if-- you had 300 and some tried to do the testing last year.

WALZ: Um-hum.

DORN: If this-- you know that would-- and they're $500-some thousand, this would allow-- allocate about $1,500 dollars to each of those. And that's just quick math in the head. I'd have to ask Senator Clements to do the math or whatever, so-- yeah, because he's, he's good at it or whatever but do you-- I mean I, I know a lot of, you know-- the, the, the chore it is to get volunteers in especially rural areas. And they even had an article in today's Lincoln paper about how they have seven ambulances a squad and they're facing burnout and those are paid EMTs and stuff. How is this in your district? In Fremont, how is this as far-- are they volunteers or are they, they paid or what's the relationship there?

WALZ: We have both. We have a, a paid fire department and then we also have the Inglewood Volunteer Fire Department. And I don't know what we would have done without either of those--

DORN: Yeah.

WALZ: --departments last year.

DORN: In the last year in, in that area of the state up there, without the, the, the emergency people that we have, the fire departments, the rescue squad-- we talk about funding here in the state, I don't know how much more the funding would be if we didn't have those squads.

WALZ: Gosh, yeah. And I-- I'm, I'm sure that somebody could address it, but it's also the travel to get to a class. I think it's really pretty far away, too, so-- any other questions? OK.

HILKEMANN: Any additional questions? OK, you'll be here for the closing?

WALZ: Sure, sure.

HILKEMANN: OK. Those who would testify in favor of LB1102?

MARLENE BOMAR: Good afternoon. My name is Marlene Bomar-- sorry. My name is Marlene Bomar, M-a-r-l-e-n-e B-o-m-a-r. I am here on behalf of the Nebraska State Volunteer Firefighters Association. I'm here in support of LB1102, which is increased funding for training volunteer emergency medical care providers. A little of my background is I am a member of the Battle Creek Volunteer Fire and Rescue Department. I've been a volunteer firefighter for 23 year-- firefighter for 23 years and of those 23, I have been a nationally-registered EMT for six. I served as president of the Nebraska State Volunteer Firefighters Association in 2017 and 2018. My husband and I have traveled the state attending Mutual Aid meetings, conferences, mini fire schools, and department functions. There is a great concern for many departments when they have members that want to take the EMT class. The departments or members just do not have the funding to put this money up front. This topic is brought up a lot at the meetings we have attended. Departments want to know how the other departments handle the funding when members want to take the EMT class. I can speak of the department that I am an honorary member of. I belonged to the Madison Volunteer Fire and Rescue for 23 years and about ten months ago, we moved to Battle Creek. Years ago, when Madison was two

separate entities, the rescue had their members pay in advance and then they were reimbursed when they were voted onto the department and passed the EMT course. About 15 years ago, the fire and rescue joined together as one department. It was then decided on-- the department would pay up front for the EMT training and books. There have been a couple of times when members did not pass the course and the department was out of the money. As for Battle Creek Fire and Rescue, departments that I belong-- that belong to now, they vote the person on and if that person wants to take the EMT class, then the student has to pay up front for their books and training. If they pass the course and stay on the department for at least one year, they will then be reimbursed for their books, tuition, and costs. Last Sunday, we attended the Central Nebraska Volunteer Firefighters Association fire school in Holdrege. I sat in one of the classes when-- with a roundtable discussion on topics and students wanted to talk about-- one of the topics was on how departments funded EMT class when members wanted to take the course. The discussions were all over the place. Some pay up front, some don't. The smaller departments just do not have the funds to help the members take the course. Others had concerns of paying for the class and when, and when the member passes the class, they move out of town or join a paid department. The department will be out of the money if they paid up front for the student. There was a department that had a member that did not pass the first time and decided to take it again and failed again. So then the department was out of the funds twice. The cost of tuition in Nebraska for EMT classes at training agency range from $768 to $1,100. If the EMT passes the national registry within 60 days of the course completion, the state reimbursement is $425 to $600. I didn't put that-- the $600, so that was an average. This is definitely a help, but there is still a big difference in cost that the departments and individuals still have to pay. Some departments or department members just do not have the funding to pay the out-of-the-pocket expense. The bill, LB1102, would certainly help many departments or department members across the state to help with reimbursement in tuition and fees for initial and ongoing training for volunteer emergency medical care providers. Thank you for your consideration of LB1102 and I ask for your support. So in closing, I am asking that you please consider and help Nebraska departments or department members with the fundings for the tuition and fees.

HILKEMANN: Are there questions for Ms. Bomar? Senator Dorn.

DORN: Thank you, Senator Hilkemann, and thank you for being here. Do you happen to know what it costs to take the national registry? I mean, it's-- on here, you had what the state reimburses if you pass it. I know there is a fee, but I don't know what it is.

MARLENE BOMAR: I don't-- I'm not exactly sure what the amount is.

DORN: OK.

MARLENE BOMAR: Maybe Jerry would know, but--

HILKEMANN: Are there other questions? I have just-- ask you a question. I-- this is on the whole training process. Are you familiar with the Helmsley Foundation, the SIM program--

MARLENE BOMAR: Uh-huh.

HILKEMANN: --that they have? Does-- with the SIM program, if that comes to your community, does that provide the training that someone can then take the EMT tests?

MARLENE BOMAR: Well, it's more so the training to keep up your-- after you've been an EMT with hours-- what you need.

HILKEMANN: So it's good for continuing education--

MARLENE BOMAR: Um-hum.

HILKEMANN: --it's not necessarily good for the basic training to begin with?

MARLENE BOMAR: I suppose they could take it just to help them when they do test, but it's mostly your-- after you've been an EMT, for your-- keeping your hours up.

HILKEMANN: Has that SIM program been utilized at, at-- in Battle Creek?

MARLENE BOMAR: And in Madison; yes, several times.

HILKEMANN: And what benefits do you find out for your department?

MARLENE BOMAR: Well, we don't have that many to stay back in town. So if we go out of town for training, we don't have many to stay back.

And so this is a great, great way of-- your whole department can participate at one, one spot and you're not leaving your community.

HILKEMANN: When you have that SIM truck available in there, what, what, what percentage of the persons in your department would take, take advantage of that?

MARLENE BOMAR: I would say all-- maybe 90 percent. They've-- we'd-- they've really-- it's one way of getting your hours. I mean, everybody needs them, so-- and even area towns come if-- sometimes if-- I mean we do invite-- so maybe a few could come from-- so they won't leave their towns empty.

HILKEMANN: But whether you're an EMT or not, that SIM program is very vital to what's going on.

MARLENE BOMAR: Very vital, yes, very vital.

HILKEMANN: OK, thank you. Are there additional questions for Ms. Bomar?

MARLENE BOMAR: Thank you.

TOM HAMERNIK: Good afternoon, senators, and I appreciate being here. I'm here to-- as a proponent to LB1102. My name is Tom Hamernik, T-o-m H-a-m--

HILKEMANN: Did you say you're here as a--

TOM HAMERNIK: Proponent.

HILKEMANN: Proponent, OK, OK.

TOM HAMERNIK: --Tom Hamernik, T-o-m H-a-m-e-r-n-i-k. I, I have served as an active EMT for over 40 years and currently, I'm the elected fire chief in Clarkson. My dad started with the original Red Cross emergency training in late '60s and now his three sons all serve as EMTs. So the funding for especially rural EMS is very near and dear to our heart. I want to thank Senator Walz for proposing LB1102 and her continuing efforts in support of rural EMS. As has been stated, we rely heavily on our volunteers across Nebraska. Our traditional group of volunteers is graying and fewer and fewer of them are choosing to renew their EMT licenses. I hope someone today will cover the numbers, but I know that they have steadily declined and I think this past year, they took a very significant decline. There are multiple

barriers being faced to recruit younger folks; time and cost among the major ones. Just to emphasize the time commitment necessary, we are fortunate to have an EMT class underway in Clarkson now. We started with 17 interested prospective students, but dropped to ten after the original organizational night. Eight are from Clarkson and-- or from our neighbors six and-- miles east and west of us. And then there-- we have two students that are driving 40 miles each way, twice a week to class. Of the four from Clarkson, three are parents of young children. They have class on Wednesday night, 6pm to 10pm and Sundays from 1pm to 5pm and they're still-- their class is still going to go from January into May and then they'll have their national registry test after that, which is a tremendous commitment. And I, I applaud and I thank those young parents every chance I get because I know what it's like to go through that; a job, a family, other, other commitments within the community, and a, and a pretty strenuous EMT class too. Tuition costs for the initial class can be a barrier, a barrier. The cost of the instruction plus books can be in that $768 to $1,100 category and the state will reimburse you $650 of your tuition if you pass the national registry exam. And that occurs six to eight months later. Some departments, like ours, are willing to pay the students' up-front cost and accept reimbursement from the state upon passing the testing requirements. It is a reasonable risk in our view, but one not available to all prospective EMTs and EMRs and we heard of, of the example that Marlene gave. We have, have had some issues where we didn't-- did have-- paid for the class and they didn't pass the course. But in a small town where you rely on your EMTs, that is the risk you take and you do everything you can to support them as they're taking the class. And then once they pass, you've got to be there to hold their hand and make sure that they get off to the right start. I spoke to a very reputable EMT instructor last night and he estimated that 25 percent of his students pay their own up-front costs prior to passing the exam, exam and joining an EMS organization. He stated that is it-- it is difficult to put a number on how many individuals don't sign up for class because of the potential cost to them or are unaware of support that might be available to them to cover their costs. In addition to tuition, in many areas, students have little choice but to drive to class multiple nights a week; a very significant expense. And the money that it costs to drive likely reduces those who attend the class organizational night. Our two students driving to Clarkson will travel over 2,500 miles during the length of their course. Additionally covered in LB1102 is funding support for state-required continuing education requirements. My comments are based on conversations with our rescue captain, an EMS instructor, and written

communications from Central Community College- Columbus Campus. Prior to 2017, grant funds administered through the community college system allowed individual departments to host four in-house CEU classes annually, paying the instructor for prep time, mileage, and actual class time. Our EMTs and EMRs could get their required CEUs in their own community and it is my understanding that in 2017, the state cut out paying the instructors' mileage. And at that time, Central Community College dropped our EMS workshops from 40 to ten annually in our surrounding communities and they covered the mileage costs of the instructors. Essentially, each town gets one class per year and EMTs, EMRs need to travel to get their training depending on-- get their training. Depending on your family, other community commitments, and job situation, this does create an additional burden. We in eastern Nebraska have closer training opportunities than folks living in central and western areas of the state. As I mentioned, the decrease in EMT license holders-- personally, I think our community colleges are doing a very good job with the resources, resources they have available. I included a copy of a training brochure I received recently from Central Community College- Columbus Campus. Just a couple other comments; my kids are grown up, so I do travel for my training. It's not hard to get your training if you're willing to do a little bit of traveling. There's topics I want to hear. There's instructors I prefer. So it's not hard for me to do a little traveling to get to them, but if I had young kids at home or other family commitments, I couldn't do that. As part of one of the questions earlier, the current money is being shared between the paid and volunteer departments across the state. And it's my understanding or-- I feel that the Omaha and Lincoln fire departments-- they're paid organizations. They have a better infrastructure and organization to better utilize those funds that are available for reimbursing the EMT program as opposed to our volunteer organizations that are led by volunteers and don't quite have as much support as they would in a paid department.

HILKEMANN: OK. We can get to more of those on questions that we have.

TOM HAMERNIK: OK.

HILKEMANN: Time is up on that. Do we have questions for-- Senator, Senator Erdman.

ERDMAN: Thank you, Senator Hilkemann, and thank you for coming today. So in your department-- and you said you're getting more gray hair all

the time. So are you down in numbers from what you were, say, ten years ago?

TOM HAMERNIK: Our numbers are very similar to-- we've always been fortunate to have good numbers. The issue comes into how active they are. We have 15 EMTs, but I would say that 90 percent of the calls are made by ten of us; 88 [SIC] of us. So, I mean, people make choices on what they're comfortable with, what their job allows, what their family allows, and we keep them on the roster for those times when we absolutely have to have them.

ERDMAN: OK, so did you say that some of this money goes to the people who are paid EMTs as well?

TOM HAMERNIK: Yes, it's my understanding that the current funding provides support for both paid and volunteer EMTs and the money in LB1-- LB1102 would be strictly for volunteers.

ERDMAN: OK, thank you for clearing that up. I appreciate it.

HILKEMANN: Senator Dorn.

DORN: Thank you, Senator Hilkemann. Thank you for coming. Earlier, you talked about the community colleges. It was the state that made the decision not to pay the mileage or whatever. Did they explain to you which department or where that came about or how the state decided not to do that?

TOM HAMERNIK: I think it was just a, a cutback in their budget and they decided not to pay mileage. I have a letter from Central Community College in that regard with me--.

DORN: Oh.

TOM HAMERNIK: And I would share that.

DORN: Thank you because I was curious-- I, I have a pretty good idea where that funding comes out of, what agency or whatever, and I'm trying to get OK. a handle better on how they're funding things. So thank you for the information.

HILKEMANN: Have you, have you utilized the SIM unit?

TOM HAMERNIK: I have; that was in my comments. When the SIM trucks first came out, they brought it out to Schuyler Hospital, which is our

county hospital, and we had an evening. And typically, they would bring in the ER staff during the workday when they're there and then allow the EMTs to come at night when they're free. And it worked out so that three of our RNs from our hometown stuck around that night and worked with us for our part of the simulator. And it was an excellent opportunity to work with our nurses and also to work through the simulations that were available in the-- in that truck.

HILKEMANN: You mentioned that you like to-- you've got-- you're, you're selective in where you go to your lectures and so forth.

TOM HAMERNIK: Sure.

HILKEMANN: Where would you put the importance of the SIM truck as, as to your, your personal training and for the training of the people in your, your department?

TOM HAMERNIK: I'd, I'd rank it up there highly. The, the time that I had an opportunity to go, I think only six of us came from our hometown and traveled the 25 miles down to the hospital for that program. I know they, they can bring it out to individual communities. Typically, when they do come to your town, you invite your neighbors to also take part in that training.

HILKEMANN: OK. Are there additional questions? Thank you very much for coming.

TOM HAMERNIK: You betcha. Thank you for what you do for Nebraska.

DAVE HUEY: Good afternoon, senators. My name is Dave Huey, D-a-v-e H-u-e-y. I'm testifying in support of LB1102 on behalf of NEMSA, the Nebraska Emergency Medical Services Association. As a statewide organization, we represent EMS providers across the state. We hear all the time about cost, travel, you know, hours, locations. Senator Walz's LB1102 would be a welcome addition to the dollars our state, you know, was putting in to support our volunteers and the training this job requires. Emergency medical care is a public service and the training for this statewide service should be supported by our state, we feel. We were part of the discussion for the Legislature's first consideration of "A Dollar for Life." Back in 2001, the Legislature elected to drop that to "50 Cents for Life" as a fund to help support the EMS Practice Act, the Statewide Trauma System Act, you know, including and supporting the credentialing costs for EMS providers as well. Well, as you know, the demand for these funds already outpaces

the revenue collected. So it is imperative that the Legislature increase the fund, which we commonly refer to as now "5 Cents for Life" that EMS gets. So you know, there's already been groups that have testified on Senator Dorn's bill introducing-- for the SIM truck and you've asked them questions about it. My colleagues, you know, have also alluded to the funding and the cost for training. Again, if, if you do some of the number crunching, the average EMT class is about $1,000, is what most of the colleges are, are charging, roughly around there. Independent instructors are a little bit less. The gentleman before me said you had 17 that enrolled in the class and they're down to ten. A lot of those colleges require payment up front so that means that if they forked over $1,000 per student and seven dropped, that department is out that money. They don't get reimbursed from the college depending on the timeframe of when they dropped out of the class. It's usually within the first two to three classes and those-- a lot of the most interesting ones to sit in on. And then it starts becoming a task or time consuming to the family. So those individuals drop the class and the department is out that funding, OK? So again, being reimbursed what they can get helps tremendously. Again, a lot of EMS departments aren't funded. You know, they have to find their own funding. The-- just because money is given to the fire department, doesn't necessarily mean that it gets to the EMS side lots of times. And so that can have a huge impact. Conferences are offered, but the cost is $200-- roughly about $200 per individual to go to a conference to gather CEU education. EMR has to have 14 hours a year in EMT, 20-- or sorry, two years. An EMT has to have 20 hours in two years; an advanced EMT, 26; and a paramedic has to have 40 hours in two years. It doesn't seem like a lot of hours, but when you start putting dollars to those hours that you have to spend, you know, it adds up not only in time as well. You know, 40 hours in two years is a week that a paramedic has to take away from family, job, and providing support for their, for their community. We currently have 6,737 EMS providers in the state of Nebraska that all have to have continuing education. And that's where a lot of this funding money will go to-- is to provide that; to pay instructors, to pay for conferences, to reimburse for training, you know, to assist those departments in maintaining those-- their, their licensure. So an average paramedic class, just FYI, is $4,800 to send a paramedic through training. So I'd just like to say that, you know, NEMSA is in support of this bill and we'd like to see the funding move forward. And I'd be happy to answer any of your questions and again, thank you for your time and all that you do.

HILKEMANN: Are there questions? Senator Erdman.

ERDMAN: Thank you, Senator Hilkemann. Thank you for coming today. Do you know how many-- what the percentage is for the appropriation now to volunteers unpaid on that 292 that we currently contribute?

DAVE HUEY: When, when NEMSA put forth to procure that, we left it open for reimbursement for any EMS provider in the state of Nebraska.

ERDMAN: So do you know what the percentage is?

DAVE HUEY: We don't. You'd have to get that from probably DHHS.

ERDMAN: OK, thank you.

HILKEMANN: Additional questions? Senator Clements.

CLEMENTS: Thank you, Senator Hilkemann. Thank you, Mr. Huey. Did you just say there were about 6,700 EMTs in Nebraska? Was that--

DAVE HUEY: EMS providers; that's EMRs, EMTs, advanced EMTs, EMTIs (intermediates), and paramedics.

CLEMENTS: And were those all volunteers or some of those paid?

DAVE HUEY: No, that's, that's combined; paid and volunteers.

CLEMENTS: Do you know the number of volunteers that-- out of that or--

DAVE HUEY: Roughly-- and I think, Senator, didn't you say 60 percent in your notes-- I thought you said were-- I, I calculated it at about 80 percent. So that means about 5,300 of those, those 6,700 are volunteers.

CLEMENTS: All right, I think that's all I need.

HILKEMANN: OK, additional questions? Any other questions? So you're, you're-- you, you alluded just a little bit to the SIM truck and to that--

DAVE HUEY: Yes.

HILKEMANN: And there's some-- there's-- and you-- I mean you referred to the fact that the 50 cent that-- is that-- where would you put the

importance of that SIM truck as far as continue-- ongoing, continued help to rural Nebraska and, and all of Nebraska?

DAVE HUEY: Well, there's been discussion that-- within DHHS, from what I understand, that they're going to go to what's called "scenario-based testing" for the national registry or the end-of-course test for the, the EMT and paramedic. They currently do it for the paramedic program. They're looking at doing it for the EMT program. Well, the best scenario base is the SIM truck because you can take a mannequin and make it do different things and sounds and reactions versus trying to prompt a 12-year-old or 16-year-old to act like they're hurt. It doesn't actually work real well. As an instructor, I've had that problem lots of times.

HILKEMANN: OK, thank you. Yes, Senator Clements.

CLEMENTS: Thank you. You've, you've been referring to the national registry. Are all the emergency responders required to be in the national registry to be on the squad?

DAVE HUEY: Initially, yes. That's the state-required end exam. And then after that, the hours that I gave you are the state requirements to maintain their EMS licensure. The national registry is more than that.

CLEMENTS: And has it always been that way or how long has the state required the national exam?

DAVE HUEY: I think we've probably had it for, gosh, I'd say probably the last 20 years.

CLEMENTS: OK.

DAVE HUEY: Yeah, it might have even been sooner-- yeah, sooner than that.

CLEMENTS: OK, it's been quite a while then?

DAVE HUEY: Yeah.

HILKEMANN: Senator Dorn.

DORN: Thank you, Senator Hilkemann. I was just going to help answer that a little bit-- Senator Clements' questions-- because I became-- back in the '80s, in the middle '80s-- an EMT and then we were not--

we did not have to take the national registry at that time. So I'm not a member of the national registry. However, anyone now is and they do have to pass the testing. And the, the skills part is what is a challenge for many of those taking the national registry. You get one opportunity and if you don't do things the right way and answer things correctly, you don't pass. Then you have to take so much of the class again or take a bridge thing to go and take that skills test again. So the SIM truck could be a-- just like you said, could be a valuable, valuable tool for that because on our squad about ten years ago, we had two people-- they went through the whole 200 hours of testing and when it came to take the skills part, they didn't pass that. And you talk about some people that were unhappy. That-- yeah, you put in 200 hours and then don't pass it. Right now, they all do need to pass the national registry.

CLEMENTS: I see.

DAVE HUEY: And to add to that, one of the things that a lot of individuals don't understand is when you fail the hands on or you fail the national registry exam, but especially the skills part, you have to take it again. But it's not at the same place. You have to go to where the next testing site might be. My wife was one that failed and we had to go to Denver, to the next testing site to do it. And we had to pay for that on our own; mileage and lodging and, and everything.

HILKEMANN: Additional questions? Thank you very much for being here today.

DAVE HUEY: Thank you for your time.

JERRY STILMOCK: Good afternoon, members. My name is Jerry Stilmock, J-e-r-r-y, Stilmock, S-t-i-l-m-o-c-k, testifying on behalf of my clients in Nebraska State Volunteer Firefighters Association and the Nebraska Fire Chiefs Association in support of LB1102. Senator Walz, thank you for taking the initiative to do this. This has been a, a static number, I believe, that reimbursement part. Senator Erdman, it's my understanding in visiting with Health and Human Services that there's no tracking of EMTs or emergency responders; EMTs, paramedics-- the different levels of the emergency responders that track between which are paid and which are volunteer. So that's part of the problem of, of being able to, to present to any committee at the Legislature. And, and it's not-- I'll just give you an example. So Omaha Fire, a career member would go home to Bennington or Irvington or Ponca Hills. Lincoln would go home to Bennet or Raymond or Syracuse

or Palmyra. And that same person, when they apply for their reimbursement through this program, it, it, it would be difficult to track because they're on both, both a paid service and a volunteer service. It seems rather straightforward. Just-- let's just ask the question and I think, hopefully, if, if you see fit as a committee and the Legislature as a whole, then HHS would have to be able to track because of the nature of the way Senator Walz has worded her, her bill. Members, I want to just give you a little hypothetical quickly. It's been a long day for all of you, so I appreciate that. So I'll be quick and candid. Come join the volunteer service. We need you. You're a community-minded person, man or lady. You work in town. We really need you. And by the way, you will need to take a six-month class, as was outlined, of at least one night a week from 6pm to 10pm and then a weekend. We're going to do that for five months. And by the way, you have to pass the national registry. And by the way, in order to take this class, you have to advance-- on a, on a rough estimate, 25 percent of Nebraska's volunteers-- you have to advance that $1,100 or $1,500 out of your own pocket. But we want you to volunteer. Will you do that? That's a tough question to ask. So through this legislation, it would be able to maybe not change that part up front, but at least that volunteer would be able to get reimbursed more than what's being reimbursed right now. And visiting with the Department of Health and Human Services director over EMS, what that person does-- as I understand it, calculating that reimbursement rate takes the state average for what the different training agencies charge for an EMT class; $800 at one institution, $900 at another institution, $1,400 at another institution. They take the average tuition for that six-month class and then they reimburse to the extent they are able or it is able. That's how they arrive at the amount. If you finish your class and the clock starts running-- you finish your class and then you are able to test and pass within 60 days, you get a higher level of reimbursement; you or your department or your city or village upon whom you serve. If it-- if you don't test successfully for after two months, then that reimbursement rate goes down. It's a way to, to get the candidate into testing earlier while the knowledge is fresh in your head. Goodness me, I couldn't speak Spanish right now because I've been out of school for that long. I've forgotten it. So in order to use it before you lose it, we want you to go in and take that test earlier. And that was the motivation behind the, the dropping or descending scale. The, the other thing-- I just want to share with you-- I thought about this and I don't think I've shared it with another committee. Think about the number of dollars that go to tourism. Come into Nebraska. Look at our beautiful state parks. Go to

Chadron State Park. Go to Mahoney State Park. Go to Platte River State Park. Go to Ogallala and Lake McConaughy. All those and that money that is generated to bring people into Nebraska, this is $250,000. So why do I bring that example up? Because it's volunteers that are going out to provide that coverage from Ashland Volunteer Fire Department, from Ogallala Volunteer Fire Department to provide, provide those rescue services. I think the amount of revenue-- excuse me, the amount of cost to tourism, bringing tourists in and then saying volunteers, we need you to respond when there's an incident-- I just think it made sense for me to share with you at least my part of understanding of asking and joining in Senator Walz for additional funding. Senators, I'd ask you to consider advancing the measure to the full Legislature. Thank you.

HILKEMANN: Are there questions for Mr. Stilmock? Senator Vargas.

VARGAS: Thank you very much for being here.

JERRY STILMOCK: Sure.

VARGAS: So one: in college, I was a volunteer EMT so I do understand all the different processes you have to go through. And it, and it sounded like you were-- and I thought maybe Senator Erdman might pick up on this-- it sounded like you were making a recommendation to, to even look at Game and Parks. Maybe, you know, maybe there's another way to fund, fund this through a more plentiful, plentiful fund that we have. But I just appreciate you being here and I think you're shedding light on-- we are making it more difficult for people to truly-- it's not really volunteer if we're having them-- if we require such a high standard, there should be something we can do to offset some of those costs. So I appreciate that.

JERRY STILMOCK: Thank you for your comments, sir.

HILKEMANN: Senator Clements.

CLEMENTS: Thank you, Senator Hilkemann. Thank you, Mr. Stilmock.

JERRY STILMOCK: Sure.

CLEMENTS: The-- there's been some comments that some squads are in the tax base with the fire department, some are not. Do you know how that ratio is in this state, how many are just self-funded without the tax base or a percentage?

JERRY STILMOCK: The-- it's a tough one because-- I, I don't know that I could give you a percentage, sir, but I can give you the rationale. If Fire goes out and there's a fire call and there's no reimbursement-- typically for that, there's no, there's no reimbursement to the fire department for the service rendered. However, on emergency medical care, there's often an insurance company, health insurance company or Medicare or Medicaid-- Medicaid they'd frown at and say 30, 40 percent or 30 percent. That's a drop in the bucket. But-- so a lot of rescue-- on the rescue side of the ledger, sir, they are able to self-fund because they're able to generate that income by going on a call as compared to on the fire side; no. And I, I think that's the way a lot of departments operate. Whether it's integrated, fire and rescue together, or in some communities, fire runs, runs operationally separate from rescue. But I, I think that answers, hopefully, what, what you were thinking, sir.

CLEMENTS: Yeah, that's fine. The other thing I had was it seems to me there's maybe a $250 allowance for squad members on the state income tax return.

JERRY STILMOCK: Very good, sir.

CLEMENTS: And does that apply just to fire or does it also apply to rescue people?

JERRY STILMOCK: Yeah, again, a solid question; good question. It would be both, sir. Both are able to try to meet the minimum requirements of the legislation that was created over 20 years ago now. And yes, sir, both the EMS and Fire would be able to qualify.

CLEMENTS: OK.

JERRY STILMOCK: And that's a $250 dollar tax credit, yes, sir.

CLEMENTS: Thank you.

JERRY STILMOCK: Yes, sir.

HILKEMANN: Senator Dorn.

DORN: Thank you, Senator Hilkemann, and I guess-- I'll answer a little-- talk a little bit on Senator Clements there-- until this last year when they changed that, you could never get anybody to qualify. You had to be a perfect example of a fire chief. In Gage County, in three years, we only had three people ever apply for-- to qualify for

that $250 credit. Now my understanding is they've changed some of that and they're making it easier to do so thank you for bringing that up. But at one time when that cap-- that funding or that credit did come into being, nobody could ever qualify for it. It was that, that-- the guidelines are such that you almost had to be a fire captain or whatever. And then rescue squads and fire departments; some are together. In our town, they're not. They're their own, own-- each entity and it depends on the town and how they're formed and all of that. So if they're together, the fire departments can levy up to-- well, they can levy different amounts. They can levy an amount, the fire department can. Rescue squads can't, so their funding needs to come from somewhere else.

HILKEMANN: Are there other questions from Mr. Stilmock?

JERRY STILMOCK: Members, thank you.

HILKEMANN: Seeing none, thank you.

JERRY STILMOCK: Yes, thank you.

HILKEMANN: Are there additional proponents for LB1102? Is there anyone here that would like to testimony-- testify in opposition to LB1102? Is there anyone that would like to testify in a neutral position on LB1102? Seeing none, Senator Walz, you are welcome to close on LB1102.

WALZ: I will close very quickly. Senator Erdman, I-- I'm going to try to explain this-- where we got this $250,000 number for you. So we used the $960 tuition fee. We used that. There was a $768 to $962, but we used the $962 and times about-- times 500 people, which is an average number over three years, 500 people, who attempted the, the national registry was $481,000. The-- out of that, the tuition paid by DHS-- DHHS is $425 per person so that comes to times 500-- $212,500, OK? So total tuition cost minus the $212,500 that's paid by DHHS comes to $268,500, but we roughly asked for $250,000. Did that make sense to you?

ERDMAN: Um-hum.

WALZ: OK, all right. Well, I want to thank everybody for coming today and testifying. Like many of you, I grew up in a rural area. I grew up in Fontanelle so I grew up close to the Nickerson Volunteer Fire Department and I went to school in Arlington. And I remember seeing the, the fire department at the Friday night football games every

weekend. So you know, not only was I there to witness the many, many, many times those sirens went off in the communities and seeing the guys leaving their families and their homes to go assist somebody in need, there were also multiple, multiple other events that I remember seeing volunteer firefighters at; activities, fundraisers, pancake feeds, chili feeds, events for kids. I mean, it just didn't stop. And also, where I met a few of these lovely gentlemen and, and ladies was their monthly meetings. I think they're monthly-- monthly meetings. So it's not only the time that they're out assisting people, it's all the other things that they do in the community. So I want to sincerely thank the volunteer fire departments for all that they do. And I would ask you and thank you for your consideration on passing this bill onto the floor. Thank you.

HILKEMANN: Are there additional questions for Senator Walz? Seeing none, we have a letter of support from Joel Cerny for LB1102. And with that, we will close the hearing on LB1102. And with that, if there's no objection, we will adjourn for today.