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ARCH: Good morning and welcome to the Health and Human Services Committee. My name is John Arch. I represent the 14th Legislative District in Sarpy County and I serve as Chair of the HHS Committee. I'd like to invite the members of the committee to introduce themselves starting on my right with Senator Day.

DAY: Senator Jen Day. I represent Legislative District 49, which is northwestern Sarpy County.

MURMAN: Hello. I'm Senator Dave Murman from District 38 and that includes seven counties to the west, south, and east of Kearney and Hastings.

WILLIAMS: Matt Williams from Gothenburg. Legislative District 36, that's Dawson, Custer, and the north portion of Buffalo Counties.

WALZ: OK. Hi, I'm Lynne Walz. I represent District 15, which is all of Dodge County.

ARCH: Also assisting the committee is one of our legal counsels, T.J. O'Neill, our committee clerk, Geri Williams, and our committee page for the day, Sophie. A few notes about our policies and procedures. First, please turn off or silence your cell phones. This morning, we will be having hearings on two gubernatorial appointments and taking them in the order listed on the agenda outside the room. The appointee will begin with an opening statement. After the opening statement, the committee members will have the opportunity to ask questions. Then we will hear from supporters of the appointment, then from those in opposition, followed by those speaking in a neutral capacity. If you plan on testifying, please fill out a green testifier sheet located on the table near the entrance to the hearing room and hand it to one of the pages when you come up to testify. When you come up to testify, please begin by stating your name clearly into the microphone and then please spell both your first and last name. We request that you wear a face covering while in the hearing room. Testifiers may remove their face covering during testimony to assist committee members and transcribers in clearly hearing and understanding the testimony. Pages will sanitize the front table and chair between testifiers. This committee has a strict no-props policy. And with that, we will begin today's gubernatorial appointment with the appointment for the

director of the Division of Developmental Disabilities. Welcome, Mr. Tony Green.

TONY GREEN: Good morning, Chairperson Arch and members of the Health and Human Services Committee. My name is Tony Green, T-o-ny G-r-e-e-n, and I am the director of the Division of Developmental Disabilities for the Department of Health and Human Services. I began this position as the interim director March 17, 2020, and was then selected and officially appointed as the director in August 20-- 24, 2020. I'm honored to join the DHHS leadership team that's spearheaded by CEO Smith. I'm also honored to be an advocate for some of our most vulnerable citizens in Nebraska. My division currently supports approximately 10,000 Nebraskans across our state with our four home and community-based waivers. Before talking about my goals for the future of the division, I'd like to provide you an overview of my background that's prepared me for this role. My career began as a student at Wayne State College. My evenings and weekends were filled with the responsibilities as a direct support professional for three gentlemen that had recently graduated high school and had decided to move in and share a home together and I was their support person. It didn't take long before I made an appointment with my guidance counselor and changed my major from education-- music education to health and human services. Upon graduation, that same DD agency, NorthStar, or Region IV back then, offered me a service coordination position in South Sioux City, Nebraska. My passion for supporting individuals with disabilities then, then led me back to Wayne, Nebraska, where I continued my advocacy as a service coordination supervisor with NorthStar, covering 20 counties in northeast Nebraska. In the early 1900s, with the passage of the Nebraska Developmental Disability Services Act, service coordination became a state function. After seven years with the state as a service coordination employee, I became the executive director for a DD called Bethphage in Norfolk. This role expanded to include all of northeast Nebraska, eventually moving to Omaha to lead their efforts to merge with Martin Luther Homes to become the organization today known as Mosaic. In 2005, I returned to DHHS to our Children and Family Services division. In the ten years with CFS, I held key leadership positions, including deputy director and the interim director of CFS in 2015. I gained experience in child welfare, economic assistance, child support, juvenile services, and Adult Protective Services. In 2016, I was selected to join the Division of Developmental Disabilities as the deputy

director. As I've told all of our staff in the division, I'm home and back to where it all began. In March of 2020, I gladly stepped up to become the interim director and continue to expand upon the great work our division was doing. As I mentioned in my opening, I was then officially appointed as the director on August 24, 2020. Since my interim and official appointment, we've been challenged in ways I never imagined. I am so proud of our teammates who have worked tire, tire-- tirelessly over the last year during this pandemic to make sure our aging and disabled populations, both in the community and at the Beatrice State Development Center, get the best advocacy and supports and services. I'm proud of our network of providers and community stakeholders who have risen to the challenge. Looking forward, I've identified the following priorities for myself and our division in the immediate future of 2021, which is quality management plan, Olmstead and the waiting list, and community stakeholder engagement. I'm happy to report that our request for proposals for a certified quality improvement organization has been awarded to Liberty Healthcare Corporation and I know we spoke of that at the briefing last week. This is the contract our division's been working on to implement a more robust quality management and data analytics approach. This will allow us to reliably provide the assurance of quality and fiscal integrity in our service delivery and most importantly, assess the participants' health, safety, and well-being. I had my initial kickoff meeting with Liberty Healthcare January 8, 2021, and look forward to strengthening the existing systems and creating new quality management systems. Moving to Olmstead, in December 2019, we submitted our Olmstead Plan to begin identifying and documenting Nebraska's progress on ensuring that people with disabilities live, learn, work, and enjoy life in the most integrated settings. While much progress has been made in the area over the years, continued focus and progress is required. Since becoming director, I have structured my team to include a position that will be dedicated to overseeing progress with Nebraska's Olmstead Plan. I've convened our advisory and steering committees in the fall and winter of 2020 and have meetings set through 2021. We will be providing the Legislature a report by December 15, 2021, as required, that will outline the progress that we've made on Olmstead since its implementation. In addition to updating progress on the Olmstead plan, I, I do plan to submit a reformatted, clearly structured plan that will assist the public in understanding the outcome, strategies, and progress based on some of the feedback we've been given so far. And finally, community

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stakeholder engagement is critical to the efforts and success in developmental disabilities. I take pride in the stakeholder engagement approach that we've had in our division. I believe we've done a, we've done a great job of keeping people informed during this pandemic and been very approachable, open, and transparent. Since March of 2020, I've been holding calls every Monday with agency providers, independent providers, and then a larger stakeholder community to keep people up to date. We've been responsive to the needs by varying those schedulings from three times a week, once a week, biweekly, and now with vaccinations, we are back to once a week. In addition to sharing information, I do look forward to getting back out into the communities and listening and responding to the needs of citizens with disabilities and educating our stakeholders. These conversations and opportunities to work with people in their local communities is really what assists me to develop the best policy for Nebraskans who are aging or have physical or developmental disabilities. For my colleagues and disability community partners, I look forward to our continued partnership. To my family, who is unable to be with us today given the circumstances, I say thank you and hope that I've made you proud, especially my three grandchildren who are probably being forced to sit before a screen this morning wondering why Mickey Mouse Club is not on and watch Papa up here. Hope that someday they'll replay this back and, and be proud to say that's my papa. Happy, again, to be a part of CEO Smith's team, excited to leave the-- lead the Division of Developmental Disabilities into the future. Appreciate the opportunity to come before you and happy to answer any questions you might have.

ARCH: Thank you. I'll open it up to questions from the senators. Senator Williams.

WILLIAMS: Thank you, Chairman Arch, and thank you, Mr. Green, for being here and thank you for your long-term commitment, your lifelong commitment to, to this area. All too often, we, we sit here and we have a bill in front of us and we're maybe on different sides of the fence hearing opponents and, and, and supporters and those against. My question to you is what can we do as a legislature to help you achieve your, your short, short-term goals that you've listed here and then some of your long-term goals?

TONY GREEN: I think it-- that's a good question, Senator. I think the, the best thing I think we can both do is educate each other about the needs. We often hear very passionate stories day in and day out of how

the services and supports that our entire HHS division, let alone developmental disabilities, and how that impacts people and working in programs that are, that are generally funded through either Medicaid dollars or other federal sources often comes with lots of strings and, and a lot of things that go with that. And so it's a very complex system and I think the thing that we could do together is making sure that we're educating each other on the processes and the possibilities of what's out there and seeing how other places do it.

WILLIAMS: That would be helpful for us. Most of us come to this job with limited experience in these areas and then we rely on your expertise, so your help in helping us understand that is a great benefit. Thank you.

TONY GREEN: Happy to do so.

ARCH: Thank you. Other questions? Senator Murman.

MURMAN: Thank you, Senator Arch, and thank you for-- Mr. Green for coming before us today. I appreciate your long-standing work also. We've talked many times about-- I'm sure you know what subject I'm going to bring up, but it's the Olmstead Plan. I have deep concerns about that and the final settings rule. The, the most vulnerable of-- you know, the plan is to serve the most vulnerable especially and of course, as we've talked many times, they have a lot of difficulty getting out a lot, being out in the community so much. You know, especially with the weather we have in Nebraska, it's only about half the time the weather's good, putting, putting on coats off and on and, and getting out in the heat and so forth in the summer, rain, all those kinds of things makes it difficult for not only the people being served, but also the providers. Do you foresee any-- or I guess the habitil-- the habit-- I'm not sure how you pronounce it, but the, the home-based serve-- well, not the home based, but the--

TONY GREEN: The habilitation?

MURMAN: Hab-- that's the word I'm looking for. Do you see any of those being forced to close or I guess not necessarily forced to close, but encouraged to close because of the lack of funding for the, the providers? You know, I, I-- as I understand it, they're funded better if they get, get the patients out more than, than not.

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TONY GREEN: Yeah, so I appreciate the, the comment, Senator. That, that is, that is on my list that actually I, I will have this resolved for you soon and, and that we, we will have-- here's-- so here's what the, the, the issue has become is initially yes, at the federal level, services for folks with intellectual and developmental disabilities on waivers, there is a requirement that those services be delivered in integrated settings. And originally there was some guidance issued that led folks to believe that coming to a day site during the day and receiving services was not integration. CMS subsequently issued guidance to the states to say we're not going to define what integration is. You will at each state. So what we're challenged with now is creating a service array that will meet all of those needs, from something that you described of folks that maybe it's inappropriate or, or it's not their choice to go out into the community on a given day to folks that want to go out every day and to those that are even employed 40 hours a week working and support them on jobs. And so we're just beginning to put that package together. We're-- we embarked about two months ago on a technical assistance project with CMS to help us develop that service array so that we can meet each person's needs where they're at. So I think long-- or short answer is I don't see that. Facilities may not necessarily close, but we might see services delivered in a different way. And, and what we're hoping to create with the array of services is that regardless of what that team puts in the individual plan, there will be a definition, a service, and a reimbursement rate to meet that need and it won't be a definition or a rate that's dependent on a building. It will be dependent on what the participant needs.

MURMAN: OK, so the individual plan is, is-- as long as the program fits the individual plan, I would be happy with it because the most vulnerable, quite often their individual plan would, would be to stay in the-- I'll let you say the word-- habit--

TONY GREEN: That place.

MURMAN: --more than, than being in the community. It's not that they would not be in the community because quite often, there is a good balance of community and being in the habitual place, but-- so as long as it follows that plan, I think it's a good idea.

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TONY GREEN: Yeah, I think it will be how we define integration for each person and, and what that looks like and it will look different for every person.

MURMAN: And considering the providers too because the providers, quite often in a habitual place, can serve a larger number of, of clients than if they're out so much because then it takes more one on one-- you know, like I talked about, putting on coats and so forth and then also, you know, changing and those that need to be tube fed, all that kind of thing, to do it in a say, a library or a church or out in the community, it's a lot more difficult. So thank you very much.

TONY GREEN: You're welcome. Thank you.

ARCH: Other questions? Senator Walz.

WALZ: Thank you, Chairman Arch. Good morning.

TONY GREEN: Good morning.

WALZ: How are you?

TONY GREEN: Good. How are you?

WALZ: Good. Good to see you.

TONY GREEN: Good to see you.

WALZ: One of the things I, I always think about is the time that I spent at Bethphage as well as you-- as a manager and, you know, just how important it is to make sure that we have quality staff. I mean, that's key to a quality program and to making sure that people's lives are, you know-- that they're taken care of to the best of our ability and I think about, you know, the amount of pay that a staff person makes. So when it comes to provider rates, I mean, that's key-- that's a key piece to making sure that we can pay staff and, and pay quality staff. So I'm just curious, because you and I both know how important that is, why there wasn't a request, a request for providing-- a provider rate increase.

TONY GREEN: Yeah, good question, and I, I addressed this, I think earlier in the week-- in the Appropriations Committee this week. A lot of it was the unknown, so I would never say that, that staff are paid

enough. I think our directors have-- always need more, that they have one of the toughest jobs we can imagine. I think where I was coming from in not putting something in right now for a rate increase is because of, of so many of the unknowns. We just went through a rate rebase process with our providers. That was the first time rates were established on a, a-- based on cost to deliver them and providers submitting their costs. Now those costs are outdated, obviously, today, because by the time we implemented them, that, that rate study now has data from 2018 and-- but we also, over this last year, infused about $35 million into the system for COVID and still have some unknowns of, of what that impact was to the system. We, in July of 2020, also implemented a cost-reporting mechanism for providers and so at the federal level, we're required to submit and review our rates every five years to see if they're adequate and they're, they're, they're getting what we need. We have committed, when we submitted our last waiver, to create a process-- and we did this jointly with our provider network-- to annually submit those cost reports as opposed to waiting for the department to ask them every five years. We agreed that we'll submit them every year. The department committed to my team-- and I myself committed to reviewing those costs reports on an annual basis, so I-- I'm at least within six months, you know, of a year-end closing. Knowing what those costs were last year, that will put us, I think moving forward, in a position to identify if we're off target at a much more point in time-- relevant point in time. But I think the, the simple answer is there was just so many unknowns of, of how the, the money we implemented to implement the 2020-- or 2018 rate study that we implemented in 2020, then all the COVID funding. And knowing the cost reports are coming in in June, we'll have a good picture then of what that looks like.

WALZ: All right. There's always unknowns.

TONY GREEN: Sure.

WALZ: There always will be and we need to make sure that our staff are paid adequately as well and you know that as well as I do. The other thing that I think about is just making sure that we have a long-term plan as opposed to reactive, reactive-- being reactive and part of that, you know, we would hope could be addressed within the Olmstead Plan, but-- the waiting list, I know that you have heard that we need to move a little bit more quicker on that, on the waiting list. And I know that, you know, you did ask for an amount of money, but it wasn't

very significant to make a big difference in the waiting list, so I'm just curious about why that-- there wasn't a more significant ask for money for the waiting list.

TONY GREEN: Well, I think-- I'll answer it a-- in a couple of ways is, is the, the registry or, or what we commonly call the waiting list is-- we're still working a lot on education around what that list really is. And, and when we say publicly there's 2,900 people on a waiting list-- and we, you know, we've shown the data-- that a large percentage of those are actually on a waiver already. They're getting the day waiver or they're getting the aged and disabled waiver, but they're waiting perhaps for that larger out-of-home, residential, comprehensive waiver someday. So in many cases, it's not that folks would be going completely without services. Now I say that not discounting that there are needs and that people will want that comprehensive waiver, but it, it is not as the name would imply, that we use waiting lists, that there truly is unmet need occurring with everybody. There are some, but not the full 2,900. So we did ask for money to address the waiting list, but we also asked for money for the court custody cases. We asked for money for the new graduates that will be coming out of school. All of those people generally are on the waitlist too. So actually all of the money that was requested through the Appropriations Committee does impact the waitlist and takes people off the waitlist. We made a very specific appropriation for the P6 category, which is the, the last category of priority that allows us to fund people off the waiting list by date of application. But when you look at the, the funding, we did request that custody case, the graduates, those are also folks that will come off the waitlist.

WALZ: All right, thank you.

TONY GREEN: You're welcome.

ARCH: Other questions? I have a question. One of the frustrations, challenges, whatever you want to call it, that we all experience-- and I'm sure you do more than, more than we do-- is this, this issue of silos, silos within government, silos within DHHS between divisions, silos between departments within the administration. And I, and I think, I think, for instance, of, of what we've gone through with education, you know? So you've got the Department of Education and you've got your division within DHHS. How are you working across departments, across divisions? What, what work is being done in an

attempt to-- I, I hesitate to use the word breakdown silos because it's, it's not as simple as that-- but more collaboration, more communication, more working together with the same individual?

TONY GREEN: It's, it's an excellent question and it's, it's ironic. I was actually just having this conversation yesterday with, with CEO Smith. As you heard and, and mentioned earlier, I have been with the department for many years and I honestly can tell you this, this is, in this time now, the first time that I think we have ever gotten to that point where we actually are breaking down those silos. My colleagues, the other directors-- Mr. Bagley you'll see today-- we work very well together internally. That's an expectation of, of CEO Smith for all of us in HHS and I can tell you that we've, we've led that charge and, and it is beginning to happen. We're learning each other's programs, how, how things work, how we can work together, how DD can partner with Child Welfare to serve kiddos that are in the child welfare system that also experienced developmental disabilities. Those conversations and strategies are happening today. I think to the external partners, that is also happening. I know for me personally, just having the Olmstead Plan now published and out there and a requirement basically now in statute that says we all will work together, Department of Education, Economic Development, Labor, they're all at the table. They're all coming to our planning meetings and I think you're going to see great things.

ARCH: You know, I mean, observing from the outside, from the Legislature's perspective, I think it appears one of the challenges is just funding streams, right? So this program is funded this way and this program is funded this way and they all have their own regulations on what you can and cannot do and so staying in those programs, making sure we're complying with those programs sometimes sucks innovation out of you, I'm sure. And, and so I, I guess from our perspective, we just encourage more of that because as we-- as you look across all of the DHHS programs, just within that department, you see the same individuals served in so many of these programs, but sometimes differently and we're talking about a person. We're not talking about a program. And so the more of that-- we, we, I know, would encourage and it sounds like you would, you would as well.

TONY GREEN: Absolutely.

ARCH: Any other questions? Senator Cavanaugh.

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M. CAVANAUGH: Thank you. I, I don't know if anybody asked the kitchen appliance question, so we'll leave that for the end or for the afterwards. Going back to Senator Walz's questions about the, the provider rates, yes-- yesterday-- I'm losing track of the days-- I did have a hearing-- I believe it was yesterday in-- or the day before-- in Appropriations for the DD waiting list and one of the questions that committee members there asked of some of the providers that came and spoke was well, is there the ability-- if we, if we put this money out there, would there be the ability to provide increased services to, to this community? And it was a resounding yes, that if you, if you put the money towards it, we could do that. I'm just looking over the budget proposal and, and the cutting of provider rates-- it, it's actually acknowledged in the HHS budget proposal-- that that could result in a reduction in service providers. And so I'm just curious how, how can we work together to reduce that waiting list and to provide services if we can't be putting money towards it? Is there, is there a plan within your, your department to, to address this deficit in providers and the fact that some providers can't even afford to provide the services anymore?

TONY GREEN: Well, I'm not sure if I'm following on a, on a deficit of providers because I would say we actually have the opposite in that we have continued to grow our provider base. We have, since July of 2019, enrolled 21 new companies that have started providing developmental disability services across the state.

M. CAVANAUGH: OK, well, that's nice to hear.

TONY GREEN: Yeah.

M. CAVANAUGH: So can they afford to stay in business?

TONY GREEN: I, I, I believe so. I, I, I think-- I don't, I don't know that I could really answer that until July when kind of those cost reports start coming in and I see where are they at.

M. CAVANAUGH: Do, do you think that part of their ability to provide those services over this past year has been because of those CARES dollars that have come in and been distributed to some of those providers? And when those are no longer there-- I guess I'm just curious what you're, what you're seeing-- and maybe this is more of a conversation to have long term, but it is something that I'm concerned

about and I guess I'd like us to have ongoing conversations about how we're making sure that the providers are there to provide the services and that we're growing that service array.

TONY GREEN: Yeah, absolutely. Happy to have that dialog and bring some data back that we can look at.

M. CAVANAUGH: And I'd also just like to add that I have heard from a lot of providers about the great work that you've been doing during the pandemic and people have been very appreciative. You've been very open and communicative and supportive and your staff has as well and so I just want to acknowledge that today.

TONY GREEN: Thank you.

ARCH: Other questions? Seeing none, thank you very much.

TONY GREEN: Thank you.

ARCH: We'll now invite the first proponent for Mr. Green's appointment. Seeing none, is there-- anyone like to speak in opposition? I see none. Is there anyone who would like to speak in a neutral capacity? Welcome.

EDISON McDONALD: Hello. My name is Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d. I'm here today representing the Arc of Nebraska. We advocate for people with intellectual and developmental disabilities across the state. In the past, we've seen tremendous leadership from Health and Human Services helping to ensure more people are in community-based services. However, in the last few decades, we've seen so many increasing barriers created by DHHS like increased eligibility barriers, lower-quality services, a growing waitlist, and less-responsive departments. Therefore, our standard position is to oppose Health and Human Service appointments unless we see tremendous leadership to break these trends. I was supposed to testify in opposition today. However, Director Green has made the commitment in front of you all just previously to go ahead and work on eliminating the waiting list, work on providing better-quality services, and I believe that that does at least merit us shifting our position to a neutral position. I do want to go through a variety of our interactions with Mr. Green. We've been very impressed with his handling of the pandemic, his help to hold things steady in a

turbulent time. His knowledge of our state's current waivers helped to deal with many of the steep barriers prevented by coronavirus. He also has been a very forward communicator who actively reaches out to stakeholders. Most importantly, we have seen internal shifts in structure and communication that give us hope that the department will be working to include more. We are, however, concerned that we have not seen that significant action to end the waiting list. The current appropriation, while welcome, is far from enough. Our current Olmstead Plan only allows-- or only targets a 1 percent rate increase, which isn't going to be enough to deal with inflation, isn't going to be enough to deal with the rising need. As we've produced and provided external studies, we don't believe that these actions go nearly far enough. We hope to see more from his commitments earlier. We're also slightly concerned about troubling evidence around limitations on the elect-- electric [SIC] visit verification system, along with other systematic pieces that make it harder for individual providers. Typically, we kind of see a couple different settings. We'll see, first of all, there are those individuals who are in agency settings who I think Director Green has been communicating with very well. Second is those individuals on the waitlist who, while some of them may be receiving some services, they aren't receiving the services that they need. And then the third group is kind of the, the largest group. On average nationally, only 17 percent of people with intellectual and developmental disabilities are in state-based services, 83 percent-- I'm sorry, 80 percent are not in services, and 3 percent are solely on the waiting list. We want to see more action, more proactive communication, and proactive efforts by the department to not only deal with the waiting lists, but to deal with that unmet need. We've brought to you all the, the family support waiver, but also really looking at expanding beyond that because our HHS system is going to need to move a lot further. Senator Arch addressed the need to have that interdepartmental cooperation. However, that still is a far stretch from where it needs to be, particularly on the Olmstead Plan. We've seen quick reactions that have come right before meetings with the Legislature. However, we're hoping to see steadier long-term action. And with that, I'll close my testimony and say that we hope to continue to work with Director Green as he hopefully moves forward on those goals of quality management, working with Liberty, and eliminating the waitlist.

ARCH: Thank you. Thank you for your testimony. Senator Walz.

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WALZ: Thank you, Chairman Arch. We talk a lot about the waiting list and something that you said was you talked about lower-quality services.

EDISON McDONALD: Yeah.

WALZ: It is really important that as we reduce the waiting list, we have people being able to have quality services.

EDISON McDONALD: Um-hum.

WALZ: Can you give some examples of what you meant by the lower quality of services that we have?

EDISON McDONALD: Yeah, just overall, we've seen a historic shift towards less-responsive departments who aren't as interactive or supportive, harder times for individuals to reach who they're actually trying to communicate with, and then barriers in receiving a variety of services. And while they may be eligible, you know, actually getting that service, sometimes we, we see families who will have a lot of issues there. I'm hopeful about the contract with Liberty in init-- initial conversations with them and from comments by other organizations in other states who have worked with them, I think that that's going to be a really helpful piece, but I'd say until we, until we see that actually really starting to roll out more, it's kind of too early to give a direct response as to how that's going to work.

WALZ: All right, thanks, Edison.

ARCH: Other questions? Senator Murman.

MURMAN: Thank you, Senator Arch. You brought up the Olmstead Plan--

EDISON McDONALD: Your favorite.

MURMAN: --so I'm going to have some questions about that. You know, if the most-- those with the most needs are most comfortable being in a, a place with other friends and being out in the community and a good mix. They're satisfied with the way things are there. They're, they're out probably one-third of the time, one-fourth, or half the time, probably. Don't have to spend a lot of time on vehicles in rural areas, riding around trying to get to a place just to say they're out and they're-- they have their own individual plan and-- would you

agree that they should be able to, to stay with the mix that they have rather than, than be encouraged to be out more?

EDISON McDONALD: Yeah, I mean, we've talked about this before, Senator Murman. Our, our position is we want to make sure that we find the most inclusive setting for individuals and I think you're completely correct. Our current service structure frequently does lead individuals to community-based services being we're going to go and we're going to stick somebody in a van or they're going to end up out in the park on a 90-plus degree day and that's not right. That's not how community-based services are structured to really work. And as Senator Walz was talking about, that, that's one of the examples of that lack of quality services that we see, have or-- you know, I think going back to your initial comment, it-- within the Olmsted Plan, there's nothing specifically within our state's plan that has any sort of effect that could negatively impact those individuals. I think in a-- your, your qualm is really with the final settings rule and that's, that's a federal issue. However, as we've talked about also, not only is it a federal issue, it's the Feds saying here's the law, but then the states have to work on implementation, as Director Green talked about, and then you have the, the providers who also kind of have to work there. I think one of the things that the department could do better is better communication to providers as to what those alternatives look like, especially in rural communities like yours. And then, you know, kind of the families are down there at the bottom and, you know, families like yours, like the ones that you know, the-- they are left out in the cold. They don't have that communication, which is one of the steps, you know, I think we're, we're going to need to see more of and I think that as the final settings rule actually gets implemented, I think that that's going to be one of the challenges that Director Green has to work on communicating with-- very directly to families.

MURMAN: Well, I agree. I mean, I think it's important to listen to boots on the ground, not only the families, but also the employees there. The employees, as I understand it, get more pay if the clients can be out in the community more and actually, that takes more work for the employees. And, and as we talked about, they have-- the providers have enough problems retaining employees and getting employees anyway and it makes it tougher on them and the clients. You know, if those kinds of group settings are eliminated, such as what happened with mental health, with the closing of the mental health

facilities in Hastings and Norfork years ago. The most vulnerable won't have a good alternative place to go, so--

EDISON McDONALD: I think it's really-- you know, the, the thing that we really need to focus on is figuring out how do we offer those more inclusive settings? And part of that is that we have underfunded providers, that we have underfunded the waiting list, that we have underfunded a variety of those support structures. And really, you know, I think what we saw back in the kind of days of deinstitutionalization was that we had to really work on making that shift and it was a hard one. And I think the final settings rule is going to present some challenges, but the thing is we need to find those proactive settings where we can find more inclusive opportunities for employment. And I think that that's going to take that really proactive leadership and I think that that's something that, you know, both this committee and the Legislature as a whole needs to be looking at to say how do we make sure there are other opportunities? I know we had a lot of members who were concerned about the, the closure of one operation that's near your district and what we saw was we saw a grandmother-- who's one of our members-- who stepped up and created Special Scoops, an ice cream shop mostly staffed by people with disabilities. It's not the most inclusive employment structure, but it's the market trying to react. It's an individual trying to react. We need to figure out how do we go and offer up more varied employment opportunities because that's a huge need. We've talked about the VR waiting list, which while they've eliminated the, the waiting list around priority one categories, they still, for priority two and threes, I still believe do have some unmet need there, which is part of another portion of the Olmsted Plan that we want to see move forward if we want to deal more with your issue.

MURMAN: Well, I-- there is quite a range of disabilities, as you mentioned, and I'm concerned about those that are most vulnerable that are out in the community right now, probably, you know, as much as, as can be reasonable. And I just don't want to see them forced to be out in the community where they don't have the equipment. Like in the group setting, they'll have the equipment they need like eye gaze machines, for instance. And just the difficulty being out in the community with public restrooms, you know, having to be changed and those kinds of things. It's just-- they're, they're more comfortable both for the provider and the client to be in the group setting with a good mix as they have right now, so thank you very much.

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ARCH: Thank you. Any other questions? Seeing none, thank you very much for your testimony. Is there anyone else who would like to testify in a neutral capacity? Seeing none, this will close the hearing for Mr. Green and we will now open the hearing for Kevin Bagley, the director of the Department of Health and Human Services' Division of Medicaid and Long-Term Care. Good morning.

KEVIN BAGLEY: Good morning. Morning, Senator Arch, members of the Health and Human Services Committee. My name is Kevin Bagley, K-e-v-i-n B-a-g-l-e-y, and I'm the director for the Division of Medicaid and Long-Term Care within the Department of Health and Human Services. I began the position on November 30, 2020. Before I begin some of the rest of my remarks, I want to take a minute to discuss some recent developments surrounding our Medicaid expansion 1115 waiver. It's become clear to us in recent discussions with CMS that they will not be providing a decision on the waiver implementation plan submitted in December 2020 in time for us to implement the wellness and personal responsibility requirements that we had planned to implement on April 1. While the waiver itself was approved in October 2020, approval of the waiver implementation plan is required before we can put in place the mechanisms that would allow demonstration participants to receive prime benefits. We're working with our federal partners at CMS to resolve any outstanding concerns and move forward as quickly as possible. The state of Nebraska has welcomed me and my family and I thank my new colleagues and neighbors for helping ease this transition. While adjusting to a new home, new schools, and a new state can be difficult, that has been made significantly easier because of the genuine kindness of everyone we met. I'm honored to join CEO Dannette R. Smith and the team at DHHS. I've been welcomed into the department by very kind, passionate, and hardworking teammates. The Division of Medicaid and Long-Term Care provides access to affordable healthcare for vulnerable Nebraskans through the state's managed care plans, home and community-based service waivers, long-term care facilities, and the state unit on aging. In addition to responding to a once-in-a-century pandemic, the fiscal year-- the division-- this fiscal year, the division has rolled out the Heritage Health Adult Expansion, enrolling an additional 35,000 or so members to date. I've been impressed with the dedication of the staff serving the people of Nebraska. They are knowledgeable and passionate about their work. I'm excited to be a part of such a great team. Before talking about my goals for the future of the

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Medicaid and long-term care in Nebraska, I'd like to provide you with an overview of my background, which has enabled me to sit here with you today. I had the privilege to grow up in a home that values service. From a young age, I was taught by the example of my parents to give up my time and talents to serve others in the community. I also discovered a passion for public policy while working on my bachelor's in economics at Brigham Young University. During my time there, I married my wonderful wife, Blair, who I have the privilege of being here with me today, and we started our family. Over the next few years, I earned a master's in business administration from Utah State University and began working with the Utah Medicaid program. I learned quite a bit during the almost ten years that followed. I went from a young father of one to a much older-looking father of four. I learned significant patience along the way. During my tenure at Utah Medicaid, I worked to improve the program by modernizing reimbursement methodologies, creating transparency surrounding our service coverage. I took part in the rollout of Medicaid expansion in Utah. I've worked with legislative partners, families, and providers to implement new programs for individuals with long-term care needs. One program that I'm particularly proud of is the medically complex children's waiver. Working with legislators, experienced and resourceful Medicaid staff, and advocate families, we were able to launch a program that has served more than 800 children since 2016. That program was designed to relieve some of the financial and emotional burden on families of children with special healthcare needs. We made a special effort to measure the impact of the program on families' well-being and found decreased rates of medical debt, decreased rates of divorce, and a significant improvement in the family's sense of well-being. While seeing those measurable outcomes reaffirmed my belief that these programs add value to our community, they also awoke in me a desire to measure that value in other areas of Medicaid as well. This prompted me to pursue a doctorate in healthcare administration through Central Michigan University beginning in 2019. I've dedicated myself to studying how best to quantify the impact of the Medicaid program on communities and families. Since starting in this role in November, I've had the opportunity to meet with providers, consumer advocates, and others to listen to their feedback regarding Nebraska's Medicaid program. They've told me about the importance of open and transparent communication and the need to provide a pathway for them to share that feedback with the division moving forward. Looking forward, the division will focus on improving outreach and engagement for Medicaid

members and providers. Specifically, we are working to revitalize the state's Medical Care Advisory Committee, bringing together a diverse group of community stakeholders, including providers and members, to provide input and feedback on the Medicaid program. By hearing their stories, we can make better policy decisions and improve the level of service we provide. In addition, the division will be working to improve our level of customer service and transparency by making our member and provider policy guidance more accessible and easier to navigate. This will not only reduce confusion and uncertainty among our community stakeholders, it will also allow for improved consistency and efficiency in our operations. We're also working to improve our level of customer service through the implementation of new information systems and a focus on process and quality improvement. These changes will allow us to leverage the data available to DHHS to measure and improve the health of Nebraskans we serve. I believe that Nebraska Medicaid is uniquely positioned to be a national leader in innovation and in quantifying the impact of our programs. I feel excited and privileged to be a part of it. I'm happy to be a part of CEO Smith's team and I'm eager to lead the Division of Medicaid and Long-Term Care into the future. I appreciate the opportunity to come before the committee today and I look forward to working with each of you. Thank you for your time. I'm happy to answer any questions you have.

ARCH: Thank you. Thank you. Questions from the senators? I'm sure we have some. Senator Cavanaugh.

M. CAVANAUGH: Thank you and welcome to your wife for being here today. It was lovely to meet her earlier. You have, you have quite the background here. I, I appreciate you laying it out for us. One thing that I'm, I'm very curious about is the medically complex children's waiver. I have-- I'm not familiar with that. Could you tell us a little bit more about what that is?

KEVIN BAGLEY: Sure. That was a, a 1915(c) HCBS waiver that we implemented in the state of Utah. At the time, my role was as the director of long-term services and supports for Medicaid. What that was was a program that allowed children with complex medical conditions and disabilities-- so those could be physical or intellectual disabilities-- and they would have involvement of three or more organ systems in their, in their diagnoses. So these were, these were kids who typically, I guess in Utah's system, fell between

the cracks in the programs. You know, there was a robust program for children with intellectual disabilities similar to what we have here in Nebraska and there were programs for children who were vent or trach dependent, but these kids were typically not vent/trach dependent, but they did have significant healthcare needs. What we found in working with a couple of legislators there in the state who had some families in their district impacted by this was that these families' income typically exceeded the minimum threshold for Medicaid eligibility for family eligibility. But they were seeing out-of-pocket costs to care for their children in-- to the tune of anywhere from $20,000 to in some cases, we saw even $50,000 a year, which obviously presents a, a tremendous burden for those families. So the legislature there in Utah authorized a three-year pilot for us to test whether providing Medicaid coverage to those children would, would provide sufficiently positive outcomes for those families, that it would justify being an ongoing program. So part of the requirement was that we actually collected data along the way on the impact and so the advantage we had there was from the onset, we had surveys and data collection in place to be able to measure those outcomes. It really was truly astounding to see the impact it had in, in numbers.

M. CAVANAUGH: Is that something you can see pursuing for Nebraska?

KEVIN BAGLEY: You know, I think one of the things that I'm working closely with Director Green on has been really understanding the current layout of all of our waiver programs. I will say one of the things that is actually fairly similar here in Nebraska to that program in Utah is the Katie Beckett program that is operated here in the state of Nebraska. So that falls under a different Medicaid authority and, and has some slightly different requirements associated with it, but it serves a very similar population. And that's something that I'm very passionate about and have been working with Director Green and, and others within my staff to really understand more about how we make that program work better.

M. CAVANAUGH: Terrific. I have more questions, but I'll--

ARCH: OK. See if somebody else-- any other questions? Senator Walz.

WALZ: Thanks for being here and welcome, Blair. Nice to have you here as well. My question is how do you plan to deal with the holes that we have in our Medicaid system, like, those that-- those who are removed

from the A&D waiver? How would you work or collaborate just to make sure that we can close those gaps?

KEVIN BAGLEY: You know, that's, that's a really great question. Thank you, Senator Walz. I would say the first thing I really want to do is focus on that provider and member outreach to understand the impact of those holes on those families and on those providers because I think what happens too frequently-- and maybe I'll throw myself under the bus here a little bit. What happens too frequently is as policymakers, we make decisions that sound really good on paper, but may not work well in practice.

WALZ: Yes.

KEVIN BAGLEY: And I will freely admit I've been guilty of that in the past and so I think it's very important to me that I sit down with providers and families and individuals who are served and really understand what the impact is. And then I see my role and the role of my agency in part as helping to navigate the, dare I say, regulatory quagmire that Medicaid is to try and figure out how we improve things in the most efficient and effective way. So I, I guess I don't have specific answers to all of that yet. Every state's a little different. I'm looking forward to bringing my knowledge and experience from other states, but I think one of the things I really want to do here is sit down with individuals and figure out where the gaps really are from their perspective.

WALZ: Great answer. Thank you.

ARCH: I have one question and, and that is your, your opening remarks mention the Medicaid, the Medicaid expansion rollout and, and now this delay.

KEVIN BAGLEY: Yes.

ARCH: Help us understand what that means practically for the beneficiaries of that program.

KEVIN BAGLEY: Sure. So what it means right now is that nothing is changing, which I think is unfortunate for some of our members because what would have changed on April 1 is that many of those individuals who are in the basic benefits here-- and there are just under 30,000 of those individuals who are in that basic tier right now-- would have

had the opportunity, over, over the course of six months between April 1 and October 1, to be able to move into that prime tier by taking part in those wellness and personal responsibility activities. So what this delay really means is that the start of that six-month window is, I, I think, delayed until we really have a sense from CMS as to where they expect things to go next. As I mentioned, we submitted that, that implementation plan, which is really that final required piece in implementing these type of 1115 programs, in December of 2020 and, and all indications were that we would be receiving approval well in advance of the needed deadline, which really for us, that drop-dead date is this week. If we were not going to receive that in time, we would not have the time to send out notification to individuals who would be impacted. We would not have time to ensure all of our systems were updated appropriately. We've done a lot of work to this point in making that happen and now a lot of that is being shelved until we really understand where our federal partners need us to be at.

ARCH: I'm sure, I'm sure it's hard to speculate a what if, but what if they, they don't approve the implementation? Where, where-- what, what's next or what could be next or what are the options aft-- at that point?

KEVIN BAGLEY: You know, there's-- there are a lot of options and I, I would be-- I guess I will say I'm, I'm not in a good position to predict the future on that. I will say I think I am in a position to try and make that future better, whatever it is, and that's what I'll be dedicated to doing.

ARCH: I would assume it would be a resubmission. I would assume that it has to be a different plan. If they can't-- if they do not allow implementation, there has to be a, a different plan.

KEVIN BAGLEY: Yes and we do have several contingency plans in place. Unfortunately, all of those take time. One of the things that, that I've shared with individuals I've, I've spoke with on this is that Medicaid is a big ship to turn. And so at the point in time we need to take a change in our direction, we need to be very deliberate and purposeful in that. And so part of the reason I think we're waiting at this point-- and I say waiting-- we're waiting to make changes until we know where CMS is going to fall because if we start going down the path thinking we want to implement a new contingency plan, but that contingency plan isn't acceptable to CMS, then we will be further away

from our next contingency plan when that time comes. So really for us, the best course of action, the most efficient course of action is to wait and that seems counterintuitive, I think, but that's the reality for us.

ARCH: And, and as I understand it, there's, there's two pieces, right? There's the community engagement piece as well as the well-being. Both, both of those right now are, are being held?

KEVIN BAGLEY: That's right and so we received a letter from CMS on February 12. We were one of several states that received that letter. Any state that had a community engagement activity as a part of their 1115 waiver previously approved by CMS received a similar letter that indicated CMS had reservations about the community engagement activity as approved and, and that they would be reviewing that. So in addition, there was some language that, after reviewing a lot of other states' letters, appeared to be somewhat boilerplate language, indicated that they would be looking at other provisions. Now we understand that, in our case, to be those wellness and personal act-- personal responsibility activities. And so as I've spoken with partners at CMS and asked point blank, are we going to receive our implementation plan approval in time for us to roll this out? They've indicated to me that won't be the case. They haven't given me an indication of whether or not they will approve or deny those requirements. That's something we're continuing to have conversation on.

ARCH: One last question on--

KEVIN BAGLEY: Sure--

ARCH: --this. You, you said nothing's changed. I guess my, my question more directly to you is, is there, is there anything in this process that would at all jeopardize those basic benefits that the 30,000-plus individuals are eligible for now? Is there anything that would throw those into question or into jeopardy of them receiving those benefits?

KEVIN BAGLEY: No, those individuals who are receiving those basic benefits are receiving those basic benefits as part of our Medicaid state plan. The, the authorization that comes with that 1115 waiver is really the ability to move them from that basic tier to that prime tier. And so with that, that implementation plan in jeopardy. Our

ability to move them into the prime tier is tabled indefinitely until we hear from CMS.

ARCH: OK, thank you. Other questions? Senator Cavanaugh.

M. CAVANAUGH: Thank you. I also have a Medicaid expansion question, so following up on this conversation. So the, the voters of Nebraska voted for Medicaid expansion in 2018 and at that time, it, it said that it had to be the-- equal to the current Medicaid benefits and the basic benefits that this 30,000 have right now are not what was voted on by, by the people of Nebraska. And the-- your predecessor saw this 1115 waiver and prior to the 2017 to 2020 administration, those, those types of waivers have been-- being rejected nationally. And now we're seeing with the new administration that they're being rejected again. I am openly a proponent of Medicaid expansion and to implement it as the way that the voters intended, but that said, when I received a call this summer from Jeremy Brunssen saying that we were moving forward with the basic implementation, I, as many other Nebraskans, was just relieved that we were doing anything at that point because of the pandemic. And so I appreciate the work that you're doing, that your team is doing on offering these benefits to Nebraskans, but my question-- so I wanted to give you that context, but my question is it's not-- I mean, I can't tell the future either, but it's not likely that the administration is going to approve the 1115 waiver. It's not likely that these-- this two-tiered approach is going to be approved by the administration. So at what point is your department willing to go back and say we're going to implement Medicaid expansion the way it was intended by the voters of Nebraska? Is there a point or are we going to be stuck at this basic benefits when the federal government rejects the waivers? And I'm going to add that I know that there was just announced today a lawsuit from Appleseed to this end and so-- and you don't have to give me a full answer. I understand that this is going to be in process, but this is something that as you come to this committee and as we have conversations, these are questions I'm going to continue asking of you.

KEVIN BAGLEY: Certainly and, and I welcome those questions. I want to be, I want to be in a position where I'm as transparent and willing to communicate as I can be. So I won't, I won't resent the question and I, I certainly can't speak to the will of the voters. I, I wasn't here in Nebraska--

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M. CAVANAUGH: Sure.

KEVIN BAGLEY: --during that time and, and I can't speak to the will of the voters or, or to the motivations of the previous director in this role. That being said, I, I think one of the things I really want to bring to the table with this division is that we're very purposeful and deliberate in what we do. Any time we start going down a path, it becomes very difficult to turn and change. Now that does not mean we should not change. It just means that we need to be very thoughtful, purposeful, and deliberate in that change. So I, I certainly can't comment on ongoing litigation.

M. CAVANAUGH: Of course.

KEVIN BAGLEY: I can't predict the future in terms of what CMS will or will not approve. The, the approach we're taking right now is to explain why we believe those activities, as outlined in the waiver, make sense, why we believe they're beneficial to the individuals we serve. And if CMS were to come back and tell us that those are all unacceptable, then we would, we would move down whatever path we felt was most appropriate at that point and--

M. CAVANAUGH: And you'll--

KEVIN BAGLEY: --I can't speculate on what that would be.

M. CAVANAUGH: And you'll keep this committee informed as to what that path is?

KEVIN BAGLEY: Absolutely.

M. CAVANAUGH: Terrific, thank you.

ARCH: Other questions? Senator Hansen.

B. HANSEN: I don't quite have a softball question, more of a philosophical discuss-- question.

KEVIN BAGLEY: I'll take it.

B. HANSEN: And sorry for being so vague if I am. What do you view the role of government should be in the family? As, as your position as-- you know, you're in charge of probably one of the biggest

appropriations we have in the state of Nebraska of taxpayer money. Do you think the role of government should be large in the family, should be small, like, especially when it comes to Medicaid. Like, how much should the, the state government take care of the family? How much is personal responsibility? As a, as a vague question, I don't--

KEVIN BAGLEY: Yeah.

B. HANSEN: You don't have to be very specific, but, you know-- and I think to me-- it's, it's important to me to determine maybe long term kind of where we might be going as a-- you know, as, as a department in playing that role and using taxpayer money to play that role as well. Because I think there is a role that I think we should play as a state in help, helping take care of, you know, some of the, you know, the, the truly neediest ones that you already mentioned before. But then where is-- where, where do we delineate that line and where we should have personal responsibility and not? Just kind of curious to know your thoughts on that.

KEVIN BAGLEY: You know, that is a, that's a really great question, Senator, and I guess-- I may take a slightly different approach in trying to answer it, if that's OK.

B. HANSEN: Yeah.

KEVIN BAGLEY: You know, I, I don't know that there is a right amount in terms of quantifying the interaction with government that a family should have. That's going to vary. Needs will vary and, and so that's going to be, you know, individualized to that family. But I-- what I would like to see is that the impact we have is as positive as possible. Now that may mean that we can have a very positive impact with very little interaction or intervention on the part of the family and, and that's wonderful if that's what that family needs. If that family needs a little bit more hands-on attention to help move them into a better position, then maybe that's appropriate as well. So I, I, I would say what I hope to do is make whatever interaction and intervention we have with the family as positive as possible and I would like, as we move forward in the Medicaid division, to really be able to speak to that impact and quantify that impact so that when we talk about, when we talk about Medicaid in-- here in Nebraska, we're talking about a $2.9 billion program. And a lot of that is federal funds, but a lot of that is state funds and it's important that we are

judicious in the way we expend those funds. But I will add it's very important that we use those funds in a way that promotes the ability of those families to live healthier lives. That is part of our mission at DHHS, to help people live healthier lives, to help them live better lives, and that's part of what we really want to be able to do with whatever money is allocated to our division is maximize the impact on families with whatever interventions we have available to us and whatever interventions are appropriate for those families.

B. HANSEN: OK, thank you.

ARCH: Other questions? Senator Williams.

WILLIAMS: Thank you, Chairman Arch, and I just want to say thank you to Mr. Bagley for being here and making the decision and the commitment to come to our state and bring your family. I have found your testimony, over the short time that we've known each other, to be straightforward, honest, and believable and I think that's really important for this committee. I only have one question. How many ties of red color did you have to buy before you moved to Nebraska?

KEVIN BAGLEY: I, I will not lie and say that I bought several.

WILLIAMS: That's the right answer.

KEVIN BAGLEY: I, I will admit in Utah, the red color is-- it picks a side there as well and I went to a different university. So coming here, I had to purchase some, but I'm a, I'm a Husker fan myself, so I'm excited to be here this close to the stadium.

ARCH: Good answer.

WILLIAMS: Thank you.

ARCH: OK. Other questions? I have, I have an additional one. Could you please refresh our memory on the MCO reapplication process and timeline for Heritage Health and, and, and the next round of MCO applications?

KEVIN BAGLEY: I-- I guess-- are you thinking of the RFP--

ARCH: Yes.

KEVIN BAGLEY: --process where they'll come in?

ARCH: Yes, yes.

KEVIN BAGLEY: OK, want to make sure I'm answering--

ARCH: Yes.

KEVIN BAGLEY: --the right question.

ARCH: Yes, that is the question.

KEVIN BAGLEY: So that will be coming up in the next couple of years, so this is something we're already starting to work on, making sure that we have those RFPs written in a way that is clear and concise in, in what we really hope to achieve. We've made a lot of great strides with our MCOs over the past several years. We work very well with those plans. One of the things that we're really pushing towards is an increase in really measuring the quality and the impact that we have on providers and members. And so that's something we'll be looking at in those future RFPs. We look forward to any feedback from community stakeholders or from members of this committee, for that matter, on areas where improvement could be had. For me, I, I will be the very first to say-- and I say this to my team frequently-- I come with, with knowledge and experience, but I do not come with all of the knowledge or experience and so I welcome any feedback from anyone and any discussion from anyone on that front, so--

ARCH: We often have some MCO issues that come before us in, in legislative bills and, and so we're, we're very interested in that process and making sure that it's, it's a, it's a thorough vetting and a, and a good, a good process for selection and, and then for management afterwards as well. So again, as Senator Cavanaugh said, the communication to the committee on, on that process and the selection of the MCOs would be greatly appreciated.

KEVIN BAGLEY: And, and I would add to that, Senator, I would appreciate it as well. And, and I will say a lot of times, we as an agency aren't necessarily aware of the issues first. And so with that in mind, I'd encourage any members of the committee to reach out proactively if there are concerns. I'm always willing to have a conversation and figure out how we address some of those issues and

I've shared that with all of the stakeholders and, and providers that I've talked to to this point as well.

ARCH: Thank you. Other questions? Seeing none, thank you very much for your testimony.

KEVIN BAGLEY: Thank you.

ARCH: We would now invite the first proponent for the appointment of Mr. Bagley. Seeing none, is there anyone who would like to speak in opposition?

EDISON McDONALD: Hello again. My name is Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d, and I'm the executive director for the Arc of Nebraska. We advocate for people with intellectual and developmental disabilities. As I stated earlier, our standard position on new HHS appointments is in opposition until we see some of the issues dealt with, like eligibility barriers, lower-quality services, the growing waitlist, and less-responsive departments. So today we are opposing the appointment of Kevin Bagley to the position of director of Medicaid. We are excited to see his previous work in Utah on a medically complex children's waiver, the Medicaid autism benefit, the Medicaid Housing Coordination Program. However, it's disconcerting to hear him say that those programs really do kind of fill the needs in the same way our Katie Beckett program does. That is not how it works on the ground. I know that he hasn't had a lot of time here yet to see how that works. However, it still leaves some significant problems, which we've discussed some of which with this committee. I think really, you know, overall, we need to look at our Medicaid waiver system in more depth and we need a Medicaid director who's really ready to dive into that. I kind of look at Medicaid waivers as a, a balloon filled with paint and if you were trying to paint a wall, trying to throw balloons filled with paint at the wall, trying to go and make sure that you're covering all of those holes. Right now, we have some huge gaps, in particular looking at areas such as dual diagnosis, autism. What we have an autism waiver, it's not funded, so the previous directors of the department have said basically to us it doesn't exist and work on significantly improving our brain injury waiver, which is far too limited and fails to really deal with the need out there. While our interactions have been limited with Mr. Bagley due to the pandemic, we hope that, like Director Green, he will work on far more proactive outreach. We hope to see this more

community-based focus in the future. We've been troubled so far with some of his testimony on the Medicaid division and how it operates in initial hearings, as it indicates that he wanted to move-- he wants to move to LTSS services and managed care. We're concerned that while we've started to move into the managed care process, we're really still having a significant amount of doubts about how that's actually going to work, how that's going to play out for individuals, and to move our LTSS services over now is not sensible. We're also concerned within the Medicaid expansion process, making sure that it's really serving folks along the intellectual and developmental disability spectrum. In particular, we've seen problems with direct-care workforce, the medically frail process, and really figuring out how do we get those people to actually be eligible if they don't have previously listed medical history or if they have a pending SSI eligibility. With that, we would like to see our opposition be turned and we hope that Director Bagley will undertake efforts such as supporting the family support waiver and other potential waiver opportunities to really work on expanding that eligibility to cover the full spectrum of intellectual and developmental disabilities and those 80 percent of people with intellectual and developmental disabilities who aren't currently covered. We'd also like to see more commitment from Medicaid to focus on that-- really focus on the quality care, such as we've seen with the leadership on contracting with Liberty, and then really focus on that-- again, that proactive communication. While I know that Director Bagley did indicate that, so far, all the stakeholders that I've talked with have not yet had communication with them, which is troubling at this point. With that, I'll close and open for questions.

ARCH: Thank you. Are there any questions? Seeing none, thank you for your testimony. Is there anyone else who would like to testify in opposition? Is there anyone that would like to testify in a neutral capacity? Seeing none, this will close the hearing for Mr. Bagley and will close the hearings for the committee for the morning.