

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

ARCH: Good afternoon. 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, on my right with Senator Day.

DAY: Good afternoon, I'm Senator Jen Day, represent Legislative District 49 and Sarpy County.

WALZ: My name is Lynne Walz and I represent Legislative District 15, which is Dodge County and Valley.

WILLIAMS: Matt Williams from Gothenburg, representing Legislative District 36.

ARCH: Also assisting the committee is one of our legal counsels, T.J. O'Neill; our committee clerk, Geri Williams, and our committee pages, Savana and Aleks. Few notes about our policies and procedures. First, please turn off or silence your cell phones. This afternoon, we'll be hearing four bills and we'll be taking them in the order listed on the agenda outside the room. The hearing on each bill will begin with the introducer's opening statement. After the opening statement, we will hear from supporters of the bill then from those in opposition, followed by those speaking in a neutral capacity. The introducer of the bill will then be given the opportunity to make closing statements if they wish to do so. For those of you who are planning to testify, you will find green testifier sheets on the table near the entrance of the hearing room. Please fill one out and hand it to one of the pages when you come up to testify. This will help us keep an accurate record of the hearing. 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 use the light system for testifying. Each testifier will have five minutes to testify. When you begin, the light will be green. When the light turns yellow, that means you have one minute left. When the light turns red, it is time to end your testimony, and we will ask you to wrap up your final thoughts. If you wish to appear on the committee statement as having a position on one of the bills before us today, you need to testify. If you simply want to be part of the official record of the hearing, you may submit written comments for the record online via the Chamber Viewer page for each bill. Those comments must be submitted prior to noon on the workday before the hearing in order to be included in the official record. Additionally, there is a white sign-in sheet at the entrance where you may leave your name and position on the bills before us

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Health and Human Services Committee February 11, 2022

today. With that, we will begin today's hearing with LB1044. Welcome, Senator Hilkemann.

HILKEMANN: Good afternoon, Chairman Arch and members of the Health and Human Services Committee. I'm Robert Hilkemann, R-o-b-e-r-t H-i-l-k-e-m-a-n-n, and I represent Legislative District 4. I'm introducing LB1044 today. It's called the Care Team Innovation Grant Pilot Project. The bill would appropriate \$2 million from the ARPA or the American Rescue Plan Act to allow the Department of Health and Human Services to establish a competitive application process for grants for innovation in the delivery of healthcare by hospitals. One of the early lessons learned from the COVID-19 healthcare emergency was the importance of cross-training care staff and healthcare facilities to work outside of their specialties, for which the staff held a credential to cover care needs regardless of the department of, of the healthcare facility or the care setting. The ability to recruit, train, retain, and support healthcare workers in the hospitals and other care facilities will be shaped by several trends transforming healthcare. We're basically going as hospitals had to do this. And now let's see if we can find better models as to how to make something good from this COVID crisis that happened. You can see in the green copy of the bill that under the Care Team Innovation Grant Pilot Project, these are hospitals and health systems as defined by statute. A facility must be licensed in the state of Nebraska. DHHS shall establish a competitive application process and timeline. Priority should be given to grant applications with the desired outcome to improve healthcare workforce in Nebraska and the delivery itself. The findings must be completed by December 31 of 2024 and shared with DHHS and other healthcare providers, and the appropriation must be obligated by December 31 of 2024. I have brought a simple amendment for your consideration called AM1861, which amends the intent language of the bill to ensure that new models of inpatient care delivery remain within the scope of the practitioner delivering the care. That will eliminate that 407 process, Senator Arch. Care delivery will never be the same as new models of care are emerging. Hospitals and other healthcare facilities are exploring new inpatient care delivery team models that utilize each care professional-- or each healthcare professional to practice at the top of their individual credentials. Thank you for your time. And if you have any questions about the amendment or the bill, I'm happy to answer those at this time.

ARCH: Are there any questions? Seeing none, thank you very much. First proponent for LB1044.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

TIM PLANTE: Good afternoon, Chairman Arch and members of the Health and Human Services Committee. My name is Tim Plante, spelled T-i-m P-l-a-n-t-e, and I am the division vice president of Nursing at CHI Health. CHI Health is a regional health network consisting of 28 hospitals, two stand-alone behavioral health centers, and more than 150 employed physician practices in Iowa, Minnesota, Nebraska, and North Dakota. We employ approximately 16,000 people, and that includes approximately 5,000 nurses when we are fully staffed. I'm here, I'm here today to support several bills you are considering that address the nursing workforce shortage, as well as to encourage your support for LB1044, the Care Team Innovation Grant Pilot Project Act. My testimony today is on behalf of CHI Health, the Nebraska Hospital Association, and the Nebraska Chamber of Commerce and Industry. As you know, our state currently faces a severe shortage of nurses, and this has been exacerbated by the extreme demands on our workforce during the COVID-19 pandemic. CHI Health, for example, for example, could hire an additional 1,000 nurses right now if we could find them. This workforce shortage, combined with our commitment to provide the highest quality care to all of our patients during the pandemic, has been very challenging. But it has also taught us to be resilient and to pursue innovative models of care and to do whatever it takes to keep our populations healthy. As this legislation observes, one of the early lessons during the pandemic was the importance of cross-training staff to meet patient demands. This sometimes included working outside of individual specialties, and it certainly included exploring new inpatient care delivery team models so we could properly staff as many beds as possible throughout the state. For instance, we've been piloting and incorporating pharmacists and occupational therapists into the 24/7 care model, which has been traditionally staffed by nurses. These staffing innovations have been and will remain a practical necessity for our healthcare providers in order to meet daily hospital capacity numbers that, that have exceeded 90 percent during the pandemic. We believe this will continue to be important, however, as we seek to recruit and train our workforce of the future. New providers desire such flexibility and want to be practicing at the top of their credentials, and we need to be ready to adopt new technologies, innovations, and models of care as they evolve. For these reasons, we are very supportive of the grant process outlined in this legislation. While the appropriation is modest in its amount, it will encourage these innovations to continue to be pursued and shared with the broader healthcare provider community. In addition, we are aware of suggested amendments by the Nebraska Medical Association and the Nebraska Nurses Association and are supportive of them, as well as it's important we all work together to achieve these innovations and

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Health and Human Services Committee February 11, 2022

the highest quality of healthcare to all Nebraskans. Thank you for the opportunity to speak with you today and for your service to the state of Nebraska. And a special thank you to Senator Hilkemann for introducing this measure. We request your favorable consideration.

ARCH: Thank you. Are there any questions? Senator Williams.

WILLIAMS: Thank you, Chairman Arch. And thank you, Mr. Plante, for being here. And I think all of us recognize the workforce shortage in, in many areas. If we were to pass this legislation and, and adopt this grant program, what would you be able to do under this that you currently aren't able to do with your current operation?

TIM PLANTE: With the current pilot project we have that incorporates occupational therapists, pharmacists, and a few other job titles, you know, it's, it's very minor in scope and limited. With the grant process, we'd be able to really track patient outcomes as a result of these innovations and different models. We've had a very long-standing care model with nurses at the bedside, but now that we don't have enough, you know, moving forward with that, we need to make sure that we're improving care and tracking things such as readmission rates, healthcare acquired infections, the list goes on and on and, and also to research and share our, our best practices. And so those funds would be directed at those resources.

WILLIAMS: Thank you.

ARCH: Any other questions? I, I have one. How would you handle scope of practice issues with this?

TIM PLANTE: Senator, the-- a scope of practice-- the scope of practices are very clearly defined by the different practice acts. And I don't believe that there would be an issue with scope of practice. The nurses and other healthcare professions learned very early in their schooling exactly what they are able to do and not to do, and if there's to be any changes to those scope of practices it has to, has to be legislated. And so we would be very careful about that to understand the different practice acts and make sure we're focus-- we're working within the scope of those.

ARCH: OK. Thank you. Seeing no other questions, thank you for your testimony.

TIM PLANTE: Thank you.

ARCH: Next proponent.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

KARI WADE: Good afternoon, members of the Health and Human Services Committee and Chairman Arch. My name is Dr. Kari Wade, K-a-r-i W-a-d-e, and I am a registered nurse and I am president of the Nebraska Nurses Association. I'm here today to share the Nebraska Nurses Association support for LB1044 to use the ARPA funds to make grants available for Nebraska hospitals for use in creating new innovative care models. Delivery system innovation is a critical step in shifting the healthcare industry. The American Nurses Association, which is the national associate for Nebraska Nurses Association, has called for a short- and long-term solutions to staffing challenges to face the increased demand of the COVID-19 response. Such solutions are needed to ensure the nation's healthcare delivery system is best equipped to provide quality care for patients and is prepared for future challenges. LB1044 supports this call for innovation and NNA encourages hospitals to utilize nurses in planning and navigating these innovations as we face some of the biggest issues of our time. Nurses are leaders and can contribute to the rapidly expanding environment for care delivery and use of technology. Nurses across the continuum of care are the backbone of the healthcare system and should therefore be included in planning of these initiatives. As part of our support, I would like to emphasize the amendment that was provided today that any new models of care delivery being piloted must be carefully designed around existing statutes and regulations to ensure no scope of practice violations occur. Outcome measures should also be measured for piloted programs and data and findings of those should be reported to the department to determine effectiveness of the programs and any implications for future use. So thank you again for bringing this LB1044 forward and thank you. If you have any questions, I'll be happy to answer them.

ARCH: Any questions? You, you heard Senator Williams' previous question regarding what can you do with these that you can't do now? How would you respond to that question?

KARI WADE: Right. So there are resources out there to help promote optimal staffing, whatever the design may be for optimal staffing organizations, each organization is probably going to have their own way of staffing based on the needs of their communities that they provide care to. But the funds from LB1044 could really provide some resources that are needed to help fund some of those initiatives. There are resources online to just make more efficient use of time so the nurses are able to maybe monitor patients without being right there by their side. There's technologies out there that can be utilized, and perhaps piloting some of those technologies as well could be useful and used with some of these funds.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

ARCH: Thank you.

KARI WADE: Um-hum.

ARCH: Any other questions? Seeing none, thank you very much--

KARI WADE: Thank you.

ARCH: --for your testimony. Next proponent for LB1044. Welcome.

CHRISTI GLESMANN: Good afternoon, Senator Arch and members of the Health and Human Services Committee. My name is Dr. Christi Glesmann, C-h-r-i-s-t-i G-l-e-s-m-a-n-n, and I am testifying today as a member of the Nebraska Center for Nursing in support of LB1044. As you may know, the Center for Nursing was created in 2000 by this body to track and trend nursing shortages and nursing workforce data during the last catastrophic nursing shortage. The Center for Nursing's dynamic supply and demand model predicted a shortage of nearly 5,500 nurses by 2025. The pandemic has only amplified the shortages. For the first time in 20 years, Nebraska is experiencing a decrease in the nursing workforce. Current estimates point to about 2,600 fewer nurses, which is a 9.5 percent decrease compared to the 2019 data. The Center for Nursing has several recommendations to help alleviate that shortage, many of which can be initially addressed by allocation of ARPA funds as noted on the page attached to this testimony. LB1044 aims to fund new care delivery models with grants supporting healthcare facilities in the creation of care innovation pilot projects. While the bill discusses exploring new inpatient care delivery team models that utilize each healthcare professional to practice to the fullest extent of their credential. We do want to reinforce that the language must reflect within each existing state laws and regulations. Health professionals should be allowed to work to the fullest extent of their education and licensure. Yet in some cases, this may be currently impeded by facility policies. The bottom line is that RNs and LPNs cannot be replaced by unlicensed caregivers or those outside of the scope of practice. The Nebraska Nurse Practice Act and other regulations both define safe practices for the registered nurse to delegate care to unlicensed individuals in support of nursing. LPNs have their own directed scope of practice. Public safety depends on our existing laws and regulations to provide safe patient care. Nurses at all levels are care innovators and should be leading these models not just subjected to them. As part of the grant application process for the Care Team Innovation Pilot Project, applicants should identify outcomes that expand beyond improving the healthcare workforce. Outcomes related to quality patient outcomes, patient satisfaction,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

care team retention and satisfaction, and sustainability may be key outcomes to consider prior to funding. The Nebraska Center for Nursing wholeheartedly supports innovation and suggests that nurses lead the way based upon existing statutes and regulations. Any questions that I can help?

ARCH: Any questions? Senator Williams.

WILLIAMS: Thank you, Chairman Arch. Can you give me an example of how you would expect to use one of these grants?

CHRISTI GLESMANN: When I look at frontline nurses, we don't have enough of them. So how can we expand their reach while maintaining the patient outcomes? Nurses don't need to be at the bedside, necessarily, for every single piece of that step, but they can delegate roles and responsibilities within appropriate scope of practice to extend their reach and extend the number of patients that they may be able to care for within a safe number. And so what I would be looking at, or one of the things that we could consider is what does that care team look like now and outside of that general day shift, so to speak, and look at all areas. So bringing in more RTs, bringing in more therapists and other supporting staff to assist with that nurse's work. And that will extend our reach.

WILLIAMS: Isn't that your responsibility and job with or without this grant to do that?

CHRISTI GLESMANN: Responsibility for care, yes, but it doesn't mean that nurses have to be the-- a total care type framework. You can extend that team, which will extend the reach and can promote patient safety and outcomes.

WILLIAMS: We have known about the nurse shortage long before COVID. Simply stated, we-- if you put a person in every seat in every nursing school that we have in our state, we are not matching the need for nurses that are retiring. That was pre-COVID. What was your organization doing pre-COVID to address that issue?

CHRISTI GLESMANN: We were already looking at additional continuing education opportunities. We were already looking at how we can expand and retain nurses at the bedside as well as nursing students. We know that there is an attrition issue in some of the educational programs. What can we do at that point to help retain them? What supportive initiatives can we do to graduate more nurses with the seats that we have?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

WILLIAMS: Thank you. Full disclosure, my wife's a nurse and my granddaughter's a nursing student, so.

CHRISTI GLESMANN: It's not the easiest. Thank you.

ARCH: Any other questions? Seeing none, thank you for your testimony. Next proponent for LB1044.

RYAN LARSEN: Hello. I am Ryan Larsen. I am-- oh, sorry. R-y-a-n L-a-r-s-e-n. I am the administrator of Community Medical Center, a small, independent critical access hospital in Falls City, Nebraska, where I swear it was ten degrees warmer when I left this morning.

ARCH: It was.

RYAN LARSEN: Should have brought a coat. I have been very excited by the ideas presented in LB1044. I think that as we look at a nursing shortage and shortages of healthcare personnel beyond nursing and laboratory technicians, surgery technicians, and, and a variety of other ones, we can't, as was pointed out, we're not graduating enough to replace. And so while we need to encourage more people to look at health professions because they are a rewarding calling, though difficult, we also need to find ways to reduce the demands on those staff so that they can do more things that add value to patients that rather than waste their time. And we need to find ways to extend what they can do has been testified. I am not a nurse and so I will defer to the nurses that have spoken earlier as, as far as those technical components. But I can tell you that during COVID, it was a lifesaver getting together with other hospitals and talking about best practices, and we would find things that we had interpreted the regulations one way or the best practice, and we'd say, oh, we're having issues with this and then we'd talk and they'd say, well, we solved it this way, and I'd go back to my team nurse leaders and they'd say, oh, that's a good idea. And we found ways to help each other. I like to think sometimes perhaps we even help the other facilities. Collaboration is the way we work in Nebraska. When we get out-of-state speakers and others that come in, they often speak with how impressed they are that even among competing facilities, there is a sense of collaboration that we are focused on the mission of healthcare and serving our patients. And so I love the idea that we can learn from each other. Maybe no one entity has all the best ideas, but that we can come up with some solutions to this. We have often found that there are contradictions between the facility licenses and the scope of practice. We have also found that scope of practice isn't always the biggest issue. It may be within our nurses' scope of

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

practice to perform certain things, but if they haven't done it in 15 to 20 years, it is irresponsible to throw them into the deep end and expect that they will comfortably be able to take care of patients. We think there are ways that we can help expand their skills through training and find out also how to support through remote resources and extending personnel in order to be able to deliver great care without burning through our nurses. And you've heard about worker burnout and while also supporting them to work at that high level of license. We found the same thing with paramedics, with laboratory technicians, with respiratory therapists. And oftentimes we know how we've done things. But then we look into the details and we think, well, it looks like we could maybe try this. But whoever goes first usually bears the cost of figuring it out. And I looked at the last five times we projected trying to help someone develop new skills. We hit on three out of those five, that was great, but that still had the cost of two people that, well, that didn't work out so well and we'd invested a lot. And so I think that grant funds are nice because it helps temper some of the risk that's involved with taking on new projects, finding those technological supports. And once we figure out which ones work, price comes down for everybody else. So I think that this incentivizes exactly what we're looking for to augment all the other ways to try to grow our own and have a successful healthcare system. Thank you.

ARCH: Thank you. Are there any questions? Senator Williams.

WILLIAMS: Thank you, Chairman Arch. And thank you. You bring a different perspective being the administrator. Do you expect that your hospital would apply for a grant?

RYAN LARSEN: We have applied for other grants. We've partnered with University of Nebraska Medical Center on some different projects. If we can come up with a good enough idea, I'd like to try it. But if others do, I'm willing to learn from them too. I don't know if that-- yes, I think that we would be interested, but I don't know what the terms will be and if we would have the ability.

WILLIAMS: Thank you.

ARCH: Other questions? Seeing none, thank you very much for your testimony. Next proponent for LB1044. Is there anybody that would like to speak in opposition to LB1044? Anyone that would like to speak in the neutral capacity? Seeing none, Senator Hilkemann, you're welcome to come and close. On your way up, I would just indicate that we received two letters as proponents for LB1044, one from Nebraska

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

Medicine and one from the Nebraska Association of Behavioral Health Organizations.

HILKEMANN: In closing, Senator Williams, I'm going to-- I was thinking about your comment and your, and your excellent question that you had. We don't know what the end product is going to be of this. This is a pilot project. We're going to check for the innovation. I was trying to think of some analogies back there. You know, we had to do a lot of things in an emergency situation and we had to take OR techs and OR nurses and have them working in, in, in the intensive care units and all this type of thing. So we need to go back. I was thinking it's sort of a little bit like a football coach needs to go back and reassess what they did during the course of the game and, and [INAUDIBLE] that in. What did we do right? What we didn't do right? I think that's, that's going to be part of it. And I was thinking back to during that whole time of the height of the crisis, my dear wife had a, a serious injury and was in the hospital for over a week. And one of the nights as I was walking out an infectious disease specialist was there that I've known for years and he and I were having a conversation. One of the things that I noted while I was there during that time was that when we had the hospitals close up, there weren't, there weren't a lot-- there wasn't the traffic in the hallways that we normally have. And I said, you know, be a good research project for some of your residents to see once if, if, if hospital-acquired infection rates are lower now with the result that we don't have those hosp-- just, just giving him an idea, just, just making an observation. So we don't know. So I think this is going to be a look back. And, and what it will do is it will allow these different facilities to hire individuals who-- and bring in individuals that, that can study and, and maybe improve the whole-- of how we can cross-train our nurses better and, and this thing down. Again, I think that it, it just gives us an opportunity to do that because how best what we did in an emergency situation, how best can we use that to improve? So there'll be another emergency situation if it comes again, unfortunately. But we'll be better prepared, maybe.

ARCH: Thank you. Are there questions? I just, I just have one. As, as, as Chair of HHS, we've been in-- all the Chairs have been instructed that when it comes to the ARPA funds, we are to consider the, the value of the program. And then of course, Appropriations will consider, as you know--

HILKEMANN: Right.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

ARCH: --then that. So when it come-- when it comes to this, the fiscal note identifies the allowed uses for these funds. Have you, have you thought through where exactly this request would fit in those allowed uses? And I would assume that that's being submitted to the Appropriations Committee as well.

HILKEMANN: Yeah, that will in the Appropriations. Well, certainly it's COVID related. And, and that's, that's where I'm coming from. I mean, this is, again, it's a horrible crisis we've gone through, what can we learn, what can we improve having gone through that? I would, I would-- that's where I would put it.

ARCH: OK. All right, great. Thank you very much. Seeing no other questions, thank you for your testimony.

HILKEMANN: Thank you very much for your time.

ARCH: That will close the hearing on LB1044. And we will now open the hearing on LB865. Welcome, Senator DeBoer.

DeBOER: Thank you very much. Good afternoon, Chair Arch and members of the HHS, the Health and Human Services Committee. My name is Wendy DeBoer, W-e-n-d-y D-e-B-o-e-r. I represent Legislative District 10 in northwest Omaha. I'm here to introduce LB865, a bill to increase reimbursement rates for childcare providers who provide childcare to Nebraskans who qualify for the childcare subsidy moving this reimbursement rate from-- to 75 percent from the current 60 percent. Last year, my bill, LB485, expanded eligibility to the Child Care Subsidy Program. This is a companion bill that expands the reimbursement rates that those providers receive to make sure that they can provide these services. The Department of Health and Human Services uses a market-based survey to determine reimbursement rates to childcare providers. There are myriad of categories the department reimburses for, and those are divided into rural and urban rates and in-home and center-based childcare rates. The department uses this market survey to determine the reimbursement amount for each category and currently reimburses at 60 percent of the market level. LB865 proposes to use federal ARPA funds to increase the reimbursement rates to the 75th percentile for two years. The market-based survey, survey necessarily creates different effects on the different categories with the higher reimbursement rate. I have a handout that will show you what the change would be so you can see the differences there. I brought this bill because childcare providers were some of the businesses hardest hit by the pandemic, with both children and teachers testing positive, which caused a disruption to providers. The

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

pandemic has highlighted and worsened the great need Nebraska has for childcare providers. We need to expand our workforce in Nebraska, and increasing that reimbursement rate will help ensure that quality childcare is available and this will allow more parents to reenter the workforce. I've had a couple of informal conversations recently with folks, and it sounds like we're about 100 childcare slots short of childcare availability in York, Nebraska, and about 200 in Norfolk, Nebraska. If you go anywhere in this state, we are way short of what we need to provide childcare for all of the kids in Nebraska. It's my understanding that ARPA money can be used to respond to specific small businesses that have been negatively impacted by the pandemic, and childcare providers fall into this category. I believe this is an appropriate use of federal funds to provide a small but needed increase to the reimbursement rates to help our providers get back on their feet. There will be providers testifying that will be able to talk about their individual experiences in the pandemic and how LB865 would help. Thank you for your attention. I'm happy to answer any questions you may have.

ARCH: Thank you. Are there any questions? I, I have one.

DeBOER: Yeah.

ARCH: Do you happen to know if there have been other dollars that were, I say, temporarily allocated to reimbursement rates for childcare?

DeBOER: I-- as far as reimbursement rates, I don't think so, but I don't know that and you can ask some of the providers, they might be able to answer that. And I can also get back to you with the answer to that question.

ARCH: Because sometimes we don't have that knowledge of what happens in Appropriations where there may have been some previous dollars or something.

DeBOER: Sure. Yeah. I don't think so, but I will ask him about it, just to be sure.

ARCH: OK. All right, great. Thank you for your opening. First proponent for LB865.

AUBREY MANCUSO: Good afternoon, Senator Arch, members of the committee. My name is Aubrey Mancuso, A-u-b-r-e-y M-a-n-c-u-s-o, and I'm here in support of LB865 on behalf of Voices for Children in Nebraska. Access to affordable childcare helps ensure that children

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

are well cared for so parents can work. We support LB865 because it would invest federal dollars in supporting childcare providers caring for children from families with lower incomes as we work to recover from the pandemic. As Senator DeBoer mentioned, rates are currently set based on a market rate survey of licensed providers conducted every two years, which in recent years has been conducted by the Buffet Early Childhood Institute. By statute, the state is required to set rates between the 60th and 75th percentile of the current market rates and adjust those rates in odd numbered years. This means that the state has to set rates that are consistent with what 60 to 75 percent of the market is charging. Last year by passing LB485, this Legislature increased access to childcare for families and LB865 would take the additional step of increasing provider payment rates to ensure that childcare remains available. Prior to the pandemic, we know that the majority of Nebraska families with kids under six, over 75 percent had all available parents in the workforce. Childcare was among the industries significantly impacted by the pandemic, with providers struggling to keep up with illness among staff and students, changing public health standards, irregular work schedules for parents. The pandemic put an additional strain on an already economically fragile system. One of the main reasons childcare is expensive is because of the teacher-student ratios required to create safe and positive environments for kids. In order to truly create a thriving childcare system, states should make targeted investments in strengthening our childcare system. In many ways, Nebraska has underinvested in the system for many years. With regard to provider rates, the federally recommended floor to create parity between providers in the subsidy program and the private market is the 75th percentile of market rates. Nebraska has also made cuts to the childcare subsidy program over the years during times of budget shortfalls. In 2002, then Governor Johanns line-item vetoed funding for the Child Care Subsidy Program, resulting in a decrease in eligibility that has never been restored. In 2011, provider rates were temporarily cut due to a budget shortfall. Now, Nebraska has the opportunity to invest available dollars in childcare to stabilize the industry as we continue to navigate challenging times. And we would urge the committee to advance LB865. Thank you.

ARCH: Thank you. Are there any questions? I have one. Do you happen to know was-- I, I see that this, this market rate survey is done every two years--

AUBREY MANCUSO: Um-hum.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

ARCH: --and that this-- our current runs through July 30, 2023, which means it would have been adjusted in 2021.

AUBREY MANCUSO: Right.

ARCH: Correct.

AUBREY MANCUSO: Yes.

ARCH: So there was an adjustment made in 2021 and was it 60th percentile before that and it was adjusted, but it's, but it's still 60th percentile?

AUBREY MANCUSO: Yes, the percentile hasn't been adjusted. It's just that--

ARCH: But the rates--

AUBREY MANCUSO: --what that percentile means and the market has changed.

ARCH: --but the rates were in, in July of '21.

AUBREY MANCUSO: Yes.

ARCH: OK. All right, thank you. Next proponent for LB865.

BARB BETTIN: Lights are bright up here.

ARCH: Yeah.

BARB BETTIN: Good afternoon, Chairman Arch and members of the Health and Human Services Committee. My name is Barb Bettin, B-a-r-b B-e-t-t-i-n. I am the CEO of the Lincoln Family YMCA, but I'm here today speaking on behalf of all the YMCAs in, in the Nebraska State Alliance of YMCAs throughout the state. There is 14 YMCAs throughout the state and the Y is the largest provider of childcare in Nebraska and the nation. And I really appreciate the opportunity to speak before you today regarding the importance of LB865, which really seeks to invest in Nebraska's childcare sector by raising reimbursements for providers to no less than 75 percent of market rate for two fiscal years. And we're grateful for Senator DeBoer's leadership in introducing LB865 and Nebraska-- and the Nebraska Ys stand in strong support of, of this measure. The bill calls for funding from the American Rescue Plan to support the childcare system with the federal relief bill, which categorizes as an essential sector. The pandemic

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

has had a, a devastating effect, causing widespread layoffs and closures nationwide. In fact, many of my peers have closed some of their sites. Significant declines in enrollment paired with steep increases in operating expenses have created an unstable financial situation for really an already fragile childcare delivery system re-- and, and-- that rely on very thin margins. The increase in subsidy reimbursement rates will help providers keep doors open and support really the working sector with hardworking parents. The business community is walking alongside childcare providers, elevating the importance of our sector from the release of their November 2021 study entitled: Untapped Potential: The Economic Impact of Childcare Breakdowns in U.S. States. I, quote, The U.S. Chamber of Commerce Foundation holds the position that childcare is a two-generation workforce issue because it's essential to supporting the workforce of today, which we have seen many shortages and the-- and vital to developing our workforce for tomorrow. There is not enough access to affordable, quality childcare, which makes it difficult for parents trying to enter, and in this case, many of them trying to reenter or stay in the workforce. Nebraska specific data from recent study by First Five Nebraska and University of Nebraska-Lincoln's Bureau of Business Research indicates that inadequate access or gaps in childcare costs Nebraska families, businesses and state tech-- state tax revenues over \$745 million annually in direct losses. And when the losses are multiplied throughout the economy, the impact is even more severe. Families lost \$489 million yearly in direct losses from-- in income from really missed and reduced work hours and business lost more than \$234 million annually due to reduced productivity and turnover. Just one of the countless examples of impact of the childcare breakdown in Nebraska comes from the Tyson meat plant in South Sioux City. They shared with the Y when approached about offering evening care for split shift workers that their number one and their number two top reasons for absenteeism for workers quitting were childcare issues. So thank you, thank you for your thoughtful consideration. I ask that you support LB865 on behalf of the Nebraska Ys and really other hardworking childcare providers throughout the state.

ARCH: Thank you. Are there any questions? Seeing none, thank you for your testimony.

BARB BETTIN: Thank you.

ARCH: Next proponent for LB865. Welcome.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

ANNE CONSTANTINO: Hi, there. Chairman Arch and members of the Health and Human Services Committee, my name is Anne Constantino. That's A-n-n-e C-o-n-s-t-a-n-t-i-n-o. I'm here to testify in support of LB865. I want to thank Senator DeBoer for bringing this bill and for her strong leadership and advocacy on behalf of Nebraska children and early childhood educators. I'm the president and CEO of CRCC, a nonprofit in Omaha formerly known as Children's Respite Care Center. We provide comprehensive educational, nursing, and therapeutic care for children with special needs at two Omaha-based centers with our behavioral health and day health programming. The children we serve have among the most medically complex care needs in the region, needs which cannot be met in a traditional care setting. Approximately 30 percent of our daily day program census is comprised of clients served by the Nebraska Child Care Subsidy Program. Now, as you can imagine, the COVID-19 pandemic has had an outsized impact on the families that we serve. Given the medical fragility of the children in our care. During the month of January alone, we have had 72 children and 12 staff out as a result of COVID exposures. We navigated four room closures last month alone. During the height of the delta variant surge, our daily census was down by as many as 100 children. Room closures meant that the children we serve are not receiving the education-- the essential educational, nursing, and therapy services. The impact of these absences, you can think about the learning loss, the social/emotional upheaval, and adverse health outcomes are especially acute for our population. Furthermore, and as this committee very much understands, frequent absences and room closures cause great upheaval in the personal and professional lives of the parents and guardians of the children that we serve. A lack of affordable childcare options means that Nebraska wage earners are leaving the workforce. And keep in mind, as you all do, Nebraska is home to among the highest percentage of dual wage earners in the nation. Our state cannot effectively reopen, and our state's economy will not fully recover without the help of a robust childcare system. I'd like to speak in greater detail about two specific impacts that COVID-19 has had on our operations at CRCC. First, staff shortages, especially among our paraprofessional workforce, remains a persistent obstacle. We know that staff shortages drive access shortages. As of yesterday at 4:30 and talking to my HR director, we have now 19 open positions among our classroom staff if we want to get all of the kids off of the waitlist that are currently on a waitlist because we don't have staff. We've worked intentionally and diligently on staff recruitment, and I thank this committee and the body as a whole. I want to say, say thanks for the attention and the resources that provide-- have been provided to help in this area. But open positions

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

mean we can't serve all the children and families that need us. I would also note that the four to one ratio that we have at CRCC to maintain that our clients are in a, a safe environment and provided the highest level of care. Because of that, the difficulties in that ratio mean that the, the margins are going to be even more razor thin than they already are. Frankly, participating in the Child Care Subsidy Program is a financial net negative and creates financial instability even in the best of times. So by way of context, our billable hours for those taking part in the Child Subsidy Program decreased by more than 15 percent when comparing October '21 to January of '22. While 15 percent may not sound like a lot at first blush, it has had a significant impact on our financials and the operations of our center. LB865, which seeks to utilize COVID relief dollars to temporarily-- temporarily increase provider rates alone will not fully address the adverse impacts that the pandemic has had on Nebraska childcare providers. But it will provide much needed stability to a still reeling industry and help enhance access to essential services for our state's most important resource, our early learners. I ask that the committee please advance this bill to the full body. Thanks for the opportunity to share and testify, and I'm happy to answer any questions that you may have.

ARCH: Thank you. Are there any questions? Senator Walz.

WALZ: I just wanted to ask a question, and I may, I may have missed it, but you said that you had 19 openings. Can you-- where's that at?

ANNE CONSTANTINO: Those are going to be our teachers and our paraprofessionals that are in the classrooms.

WALZ: In?

ANNE CONSTANTINO: In Omaha.

WALZ: OK. Thank you.

ARCH: Any other questions? Seeing none, thank you for your testimony.

ANNE CONSTANTINO: Thank you.

ARCH: Next proponent for LB865. Seeing none, is there anyone like to testify in opposition to LB865? Anyone like to testify in a neutral capacity? Seeing none, Senator DeBoer, you're welcome to come and close. I would mention that we received eight letters as proponents, no opponents, and no neutral letters, so.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

DeBOER: Thank you, Senator Arch, and, and thank you committee for having this discussion today. I feel a little silly that I didn't bring this bill last year when I was bringing my other bill. Because if we want to expand our childcare subsidies, we got to have providers who are willing to provide those services. And so part of our bill last year was to do a study to see if the Child Care Subsidy Program was doing what it was supposed to do, if it was in fact allowing people to get the kind of training and upward mobility in their careers to be able to move eventually off of the childcare subsidy. But we can't actually get a good sense of that if we don't have availability of people to provide those services. So I think this is a necessary important step to reopen our economy to get those folks going. I think after we do it for a couple of years, you know, hopefully we get people back on their feet and from the provider side and we can go from there.

ARCH: Thank you. Are there any closing questions? Seeing none, thank you very much.

DeBOER: Thanks.

ARCH: That will close our hearing for LB865. And we will now open the hearing for LB1091. We have a special guest senator with us today who rarely appears before Health and Human Services Committee.

DORN: We left that important committee over there, Appropriations [INAUDIBLE].

ARCH: Yeah.

DORN: Yeah. No.

ARCH: Well, welcome, Senator Dorn.

DORN: Welcome and thank you.

ARCH: Good to, good to see you.

DORN: It's one thing and this is kind of a little off the side. One thing that's happened in Appropriations this year is we've had because of ARPA and stuff, we've had some people come in. Senator McCollister, in eight years, he's never been in. And this year he was and stuff--

ARCH: That's right.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

DORN: --so it's kind of, kind of good in a way we get to go around and, and be to some other areas. Good afternoon, members of the Health and Human Services Committee, Chairman Arch. My name is Myron Dorn, M-y-r-o-n D-o-r-n. I am here to introduce LB1091. Nebraska hospitals struggle attracting and retaining healthcare professionals. The healthcare workforce shortage affects both Nebraska's physical health and its economic health. Lack of care impedes abilities of communities throughout the state to draw and to hold residents and the businesses that employ them. This issue has only become more exacerbated during the pandemic. According to a 2021 Nebraska Center for Nurses-- Nursing, Nebraska will experience a workforce shortage of 5,435 nurses by 2025. It also found over 1,600 nurses are very likely to leave their primary employment in the next 12 months. A sufficient, healthy workforce is foundational to maintaining access to high quality. Nebraska must continue to do more to improve its nursing workforce. That is why I introduce the Nurse-- Nebraska Nursing Incentive Act bill. This bill will ask the state to appropriate \$5 million from the American Rescue Plan Act. It will allow for the Department of Health and Human Services to administer scholarships to public or private postsecondary institutions for approved nursing programs. An approved nursing program means a program offered by a public or private postsecondary institution in Nebraska which consist of courses of instruction in regularly scheduled classes leading only to an associate degree, diploma, or certificate in nursing. To qualify for the scholarship, the student shall be a resident in Nebraska, intend to enroll in an approved nursing program, intend to practice as a licensed practical nurse or nurse aide upon completion of the approved nursing program, and agree in writing to work for two years in, in this state as a licensed practical nurse or nurse aide upon completion of approved nursing program. Part of what we've had is we've had a lot of discussion, a lot of people contacted us since we introduced this. I have brought an amendment for your consideration. I was contacted by a nursing group and asked to include registered nurses to be eligible for this scholarship. I think that is a good addition. I also included language to cap the scholarship at \$2,500 per semester per student. Dr. Anthone, the chief medical officer with the Department of Health and Human Services, sent a letter making a few suggestions to improve the bill. Dr. Anthone had three suggestions, two of which I have incorporated into the amendment you see before you. First, the amendment references, references the statutory requirements regarding an approved program of basic nursing programs in Nebraska. Second, he suggests registered nurses be included in the bill, which I mentioned is in the amendment. The last recommendation, Dr. Anthone was, was reporting requirements to address a recipient who failed to complete a

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

program or fails to work for two years in Nebraska. I did not include this in the amendment. I believe this tracking requirement could prove onerous and costly. Since, basically, this scholarship program probably will be a good part through it or done by the time they actually start tracking that. So we did not include that in amendment, but, but you can see the white copy there, we passed out. That is amendment we would like to replace the bill and that concludes my presentation. Be glad to answer any questions.

ARCH: Thank you. Are there any questions? Senator Williams.

WILLIAMS: Thank you, Chairman Arch. And thank you, Senator Dorn, for being here.

DORN: Yep.

WILLIAMS: Senator Arch usually has an initiation ceremony for new people.

DORN: Oh, he does?

WILLIAMS: He passed you today, so.

ARCH: It's Friday.

DORN: It's Friday. You want to get out early, I guess.

WILLIAMS: My question relates to whether we have enough opportunities for young people or whatever to find positions in nursing schools?

DORN: Thank you for that question. We have been visited quite a bit by also people that one of the limiting factors in having more nurses right now is also the teachers to be there or to make it able to have those classes. So we're looking at that too, also. I do not have a good answer for you with that. We do have-- we do know as we visited with people, there is definitely the interest in the young people to be part of a program like this or enter into the nursing profession. Part of what we've had with COVID is we've had retirements or, I call it, burnout or things like that. And so that in a way almost gets you to thinking that will there be the required, I call it, pipeline to fill that as we go along? That's not something we saw with-- this, this is one of the bills of all the bills I've had, this is one that we've had more reach out and more visiting about by different people about what this entails and how this would help different students or whatever. As like I said, part of that, though, they definitely visit

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

with us about the staffing requirements and what is out there and can that be enough to support additional students?

WILLIAMS: I think that's a real issue in this area, in particular the registered nurse area. And it may be just as sufficient or deficient, I'll use that word in the other areas, that we have-- there is significant competition right now to get one of those seats in our present RN bachelor programs, so. And I understand and I've been through the examples of why it's difficult to expand that, but.

DORN: Yeah, I-- there, there are some people that visited with us that said they would be here later. So hopefully that, that would be some good questions for some of them.

WILLIAMS: Thank you.

DORN: Yeah.

ARCH: Senator Walz.

WALZ: OK. Thank you. Hi, Senator Dorn. Hey, I was just kind of wondering, is there a concern, we talk there's a lot of traveling nurses in our area, is there a concern that this, you know, is an issue or it doesn't include traveling nurses or are we-- because traveling nurses are not really located at a specific spot all the time? Can you kind of explain a little bit about that?

DORN: Part of, part of what still stays in the bill is this part about here being a resident in Nebraska and things like that. To qualify for this scholarship program, that criteria still stays in there. So, for instance, right now our nursing-- or, or hospitals, a lot of areas-- even this morning, we visited with a person from a, a Nebraska organization, a state of Nebraska organization, and they talked about the staffing and the staffing issues and all of that, too. But some of those might be able to qualify it a little bit better. But this scholarship program here is designed to help make sure they are residents of Nebraska, encourage them to now help fill our pipeline, and then to maintain at least two years here afterwards.

WALZ: OK. Can I just--

ARCH: Please.

WALZ: --follow up on that?

ARCH: Yeah.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

WALZ: It's kind of like a-- here's another question. So do we have enough nurses? And maybe this was answered before. Are there enough nurses in Nebraska to fill these positions? And if there aren't, do you think it's something that we should do, do to open it up to reciprocity or traveling nurses?

DORN: That's a good question. I don't have a direct answer to that other than I can tell you right now today, my wife is in the medical field, and I get informed quite often about--

WALZ: She will let you know.

DORN: --the amount of traveling people that they're using. I visited with several people about the amount of traveling nurses that even some of our nurses here in Nebraska that have some good jobs because of the, I call it, the lucrative pay of traveling nurses.

WALZ: Right.

DORN: How that's become. That's almost created another, I don't know, work group or whatever. And that's something that COVID's brought about. And I think as this, you know, this bill is for ARPA funding and, and the COVID impact and so much of that. I think it's so critical, though, that our healthcare professionals, our frontline people as what they've gone through, through COVID that we encourage or do things by the state of Nebraska to encourage that pipeline to remain strong. As you know with teachers and a lot of--

WALZ: Sure.

DORN: --these frontline workers, it's, it's, it's something that COVID has maybe pointed out some things that we thought we were OK as a state that now we have some kinks in the armor or whatever, and we will work through them. But we also, as a state, need to make sure we're doing the things that will help the organizations or those industries work through it. Because if we don't, it'll be a longer period of time before they're able to get back to somewhat normal, even though I don't know if we'll have a true normal because of telehealth and everything else, so.

WALZ: Sure.

DORN: Yeah.

WALZ: Well, thank you, Senator Dorn.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

DORN: Yeah.

ARCH: Any other questions? Seeing none, thank you.

DORN: Thank you.

ARCH: Will you stay for close?

DORN: Yes, we'll stay around.

ARCH: OK.

DORN: Yep.

ARCH: First proponent for LB1091. Welcome.

TIM PLANTE: Good afternoon, Chairman Arch and members of the Health and Human Services Committee. My name is Tim Plante, division vice president of Nursing at CHI Health. We're a regional health network consisting of 28 hospitals, 2 stand-alone behavioral health centers, and more than 150 employed physician practices in Iowa, Minnesota, Nebraska, and North Dakota. CHI Health is supporting a number of bills this year that seek to address the critical shortage of nurses in our workforce. Some are geared towards retention during an incredibly challenging time for our healthcare providers, and some are geared towards the recruitment and attraction of the future workforce we know we-- and we know we need to be successful. I am pleased to support LB1091 today for these reasons. My testimony is on behalf of CHI Health and also the Nebraska Hospital Association and the Nebraska Chamber of Commerce and Industry, because they also realize the critical importance of this issue to both the provision of high-quality healthcare and to our statewide economy in general. As you know, our state currently faces a severe shortage of nurses, and this has been exacerbated by the extreme demands on the workforce during the pandemic. Legislative language within LB1091 observes that Nebraska will experience a shortage of more than 5,000 nurses by 2025. And I can tell you that at CHI Health, we would hire 1,000 nurses tomorrow if we could find them. So, so the shortage is here now. That is true in all of our counties and especially in our rural areas. While there is no silver bullet to solving this issue, the Nebraska Nursing Incentive Act presents an important step forward and that it provides an incentive for Nebraska student residents to pursue LPN or nurse aide programs, and we also do support the RN amendment, but to remain in our state upon completion of these programs. In a fact-- in fact, it requires they remain in our state for at least two years in exchange for receiving such a scholarship, which we believe is

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

appropriate. And once they are gainfully employed for two years, we have a much higher likelihood of keeping them here in the long term as well. The program would be administered by the Health and Human Services Department and, and students who attend a public or private postsecondary institution in Nebraska would be eligible. A great example of where this could, could apply is the proposed Academy of Medical Sciences at CHI Health St. Francis Medical Center in Grand Island. We are currently partnering with the Grand Island Public School District and Central Community College to create a healthcare career academy for high school students that would give them real world experience in the healthcare field. Many of these students could go directly into a healthcare field, and we hope that that is the case. Many may also decide to pursue the next step in degree sequencing with our higher learning partners, including our nursing schools. The Nebraska Nursing Incentive Act could help provide the perfect transition for those students. And both paths represent the creative thinking and creative partnerships we need to pursue to address this workforce shortage across the state. For these reasons, we are very supportive of LB1091 and we thank Senator Dorn for introducing it. Thank you for the opportunity to speak today and we request your favorable consideration.

ARCH: Thank you. Are there questions? I, I have one, and I don't know if, if you're the one to answer it, you may not know offhand, but do you happen to know how many students in Nebraska currently are in these various programs?

TIM PLANTE: I do not have that. I have to defer to my academic colleagues.

ARCH: OK.

TIM PLANTE: [INAUDIBLE]

ARCH: I just, I just ran the numbers quickly and, and if, if everybody were to receive \$2,500 max, we'd have about 2,000 students and I just didn't know how many that would compare to people that are already in the programs in Nebraska, whether we're trying to double it or-- because I'm assuming that some of these scholarships could go to existing students, not just new students.

TIM PLANTE: Correct.

ARCH: OK. All right. Thank you. Appreciate your testimony today.

TIM PLANTE: Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

ARCH: Next proponent for LB1091. Welcome.

CHRISTI GLESMANN: Good afternoon again. My name is Dr. Christi Glesmann, C-h-r-i-s-t-i G-l-e-s-m-a-n-n, and I am testifying today as a member of the Nebraska Center for Nursing in support of LB1091. The Center's dynamic supply and demand model predicted a shortage of nearly 5,500 nurses by 2025, and this pandemic has amplified this. For the first time in 20 years, Nebraska is experiencing a decrease in the workforce. Current estimates point to about 2,600 fewer nurses, which is a 9.5 percent decrease. The Center for Nursing has provided several recommendations to help alleviate the shortage in the testimony and in the testimony for LB1044. LB1091, the Nebraska Nursing Incentive Act scholarship program targets frontline nursing workforce by awarding scholarships to Nebraska residents who intend to practice as a licensed nurse in Nebraska. Clarification is needed in the language as frontline nurses are RNs and LPNs. Quickly rebuilding the frontline nursing workforce should include scholarships for LPNs, which would be certificate and diploma programs and RNs, which include the associate degree and accelerated BSN programs. This would yield a one to two year targeted financial initiative to strengthen the workforce in the immediate future. The Center recommends the removal of nurse aides from the scholarship programs for a few reasons. First, the only Nebraska facilities required to employ nursing assistants per federal law are nursing homes. Other nursing facilities may have policies that require Nurse Aide training, but in reality are not regulated to hire someone on the Nurse Aide Registry. Thus, the training and competency evaluation lies with the employer. Second, the financial barriers and financial responsibilities are significantly less with nurse aides in comparison to LPNs and RNs. Additionally, nursing aides are in the role of a nursing support and must have oversight by LPNs and RNs. In an effort not to just temporarily support the nursing workforce but also retain frontline nurses, it may be advisable to lengthen the post-scholarship, post-graduation requirements. This would secure the efforts of this bill for a longer duration and allow future graduates to transition to practice successfully. Future bills could focus on retention efforts of frontline nurses, including recipients of this scholarship program. The Nebraska Center for Nursing wholeheartedly supports the Nebraska Nursing Incentive Act and recommends the targeted recipients be RNs and LPNs completing approved Nebraska, pre-licensure nursing programs. Since the Center is the nursing workforce data source, it would be helpful to track these recipients of the scholarship to evaluate the effectiveness of the program and the retention within the profession. Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

ARCH: Thank you. Are there any questions? Just, just to clarify, while you have suggestions for improvement, you are testifying as a proponent of this bill.

CHRISTI GLESMANN: Correct.

ARCH: Correct. OK. Thank you. Thank you for your testimony. Next proponent for LB1091.

KARI WADE: Hello again.

ARCH: Hello.

KARI WADE: Members of the Health and Human Services Committee, again, my name is Dr. Kari Wade, K-a-r-i W-a-d-e. I'm a registered nurse and president of the Nebraska Nurses Association. I am here today to share the Nebraska Nurses Association support for LB1091 for use of the ARPA funds to make scholarships available to individuals enrolled in nursing programs. Our support comes from a viewpoint for providing scholarships to nursing students leading to nursing licensure. This would include registered nurse and licensed practical nurse programs. Now, I haven't seen the amendment that was brought forward today, so I don't know of the exact wording, but I was involved behind the scenes on providing suggestions. So I'm going to share some of those suggestions today because I don't know for sure if they are on the amendment. The workforce shortage in Nebraska is mostly due to a shortage of RNs. Therefore, registered nurses should be a priority with the scholarship funding initiative. If this bill truly wants to target the frontline nurse workforce shortage, it should target degrees leading to nursing licensure, which include LPN and RN. Now, my understanding was the amendment would only include associate degree nursing programs. Associate degree nursing programs can be completed in two years and leads to RN licensure. Accelerated nursing programs can be completed in 12 months and also leads to RN licensure. Accelerated nursing programs are for an individual who holds a bachelor's degree in another field but wants to become a nurse. And while the result is a bachelor's degree in nursing, it is an entry into practice degree and falls within the two year or less desired timeframe for LB1091 funds and, therefore, a bachelor's degree in nursing through accelerated programs should also be considered for this bill. Licensed nurses are what facilities need to address the nursing workforce shortage. Graduates of both RN programs as described in addition to LPN programs would increase the nursing workforce in Nebraska within one to two years and would contribute to a more

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

sustainable nursing workforce in the future. Thank you, and I'm happy to answer any questions.

ARCH: Thank you. Senator Williams.

WILLIAMS: Thank you. And thank you, Dr. Wade.

KARI WADE: Um-hum.

WILLIAMS: My question relates back to the number of seats that we have available.

KARI WADE: Um-hum.

WILLIAMS: Based on the information we're hearing, I, I-- it is my understanding that we are filling every seat in a nursing school right now. So how does offering a scholarship increase more students?

KARI WADE: Well, it would also increase diversity of students who are able to perhaps come into the nursing workforce. It would provide opportunities for individuals to come in who maybe otherwise wouldn't come in. It would eliminate the need for some nurse-- students who are interested in nursing school, who potentially back away due to the cost of it to come and because they would have that financial support to gain entry into.

WILLIAMS: I understand that it can help some students with the financial support side, but it doesn't increase the number of students that we can educate.

KARI WADE: Um-hum. So as far as educators go, you know, this is one reason the bachelor's degree is also very important to include these individuals. Bachelor's degree nurses oftentimes do go on for a master's degree or even a doctorate degree, and both of those-- either a master's or doctorate degree is required to be a nurse educator in a nursing school. And so if we have more educators, essentially than perhaps we could enhance more seats in the nursing programs as well.

WILLIAMS: Thank you.

KARI WADE: Um-hum.

ARCH: Any other questions? Seeing none, thank you for your testimony.

KARI WADE: Thank you.

ARCH: Next supporter proponent for LB1091.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

JENNY OBERMIER: Oh, it is bright up here.

ARCH: It is. Welcome.

JENNY OBERMIER: Good afternoon. My name is Jenny Obermier, J-e-n-n-y O-b-e-r-m-i-e-r. I'm here to testify in support of LB1091. I'm the chief operating officer and chief nursing officer of York General in York, Nebraska. York General consists of a 25-bed critical access hospital with multiple outpatients department-- outpatient departments, a 12-chair outpatient hemodialysis center, a 40-room assisted living, and a 122-bed long-term care facility, as well as a home health department. Currently, we employ 82 RNs, 20 LPNs, and 46 nurse aides, so maybe a smaller scope than CHI, certainly. At this time, we have 16 open positions for either RNs or LPNs and 10 nurse aide open positions. That's about a 15 percent vacancy rate. We've seen our vacancy rate steadily climb over the last four years. Without appropriate availability of LPNs or RNs, we cannot meet the needs of our patients, residents, or clients in our community. We are not able to staff all of our beds at the hospital or at our long-term care facility. We are turning away admissions from our long-term care facility due to the inability to have adequate staffing. We've made a conscious decision in our organization to not employ agency or traveler nurses. To ensure high-quality healthcare, we need more individuals graduating from nursing schools whom then stay and work in Nebraska. York General supports LB1091 as one method to attract more individuals to seek an education leading to licensure to become an LPN or RN. It takes a team to provide care, yet it is the RN or LPN that are with our patients and residents 24 hours a day, seven days a week in our facilities to ensure they are safe and comfortable. An RN, in her shift, starts IVs, gives patients their medications, helps deliver babies, holds the hands of the dying patient, administers lifesaving measures, administers chemotherapy, and is the eyes and ears for the physicians when they are not with the patient. It is the nurse that gets to experience the joy of a newborn baby taking their first breath and the sadness of watching someone take their last breath. In our hospital, a nurse could experience these two events all on the same shift. The last two years have caused great physical and mental exhaustion for our nurses and healthcare workers. Exhaustion, frustration, anger, burnout, depression, and fear for their own and their family's health and safety are just some of the emotions described in a recent American Association of Critical Care Nurses survey on the impact of the pandemic on the profession. The pandemic has compounded the nursing shortage, and many nurses are leaving the bedside to seek careers in a less stressful environment. York General has implemented loan forgiveness programs with a commitment to serve,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

sign-on bonuses for nurses, incentive programs for staff working extra shifts, market competitive rates of pay and benefits, as well as creating a positive and safe work culture for our, for our staff. But sometimes it's just not enough to attract and retain staff. We also implemented a healthcare shadowing program for our high-- local high school students about five years ago, and we allow them to come in and shadow to experience maybe what it would be like to be an RN or an LPN or a CRNA, or work in surgery or physicians or lab techs and like that to expose them to what it would be like in healthcare. So we have supported that program, and I think that has really helped them to maybe hopefully stay or come to healthcare. The financial demands related to nurse training can deter people from entering the profession, and this is one reason I ask for your support of funding for this bill. Thank you for your time today.

ARCH: Thank you. Any questions? Seeing none, thank you very much for your testimony. Next proponent for LB1091. Hello.

TREVA HAUGAARD: Chair Arch, distinguished members of the Health and Human Services Committee, my name is Treva Haugaard, it's T-r-e-v-a H-a-u-g-a-a-r-d. I am the executive director of the Council of Independent Nebraska Colleges, also known as CINC. Senators, thank you for your time today and for your focus on helping Nebraska citizens and those in the healthcare profession. The Council of Independent Nebraska Colleges is supportive of LB1091 and appreciate Senator Dorn for introducing this bill that, if passed, would create scholarship opportunities for students seeking their CNA and LPN and potentially RN. CINC represents all 13 of Nebraska's private colleges and universities. Our campuses are located from Omaha to Hastings and encompass the state's largest metropolitan area and to our rural communities. Just as Nebraska is diverse, so too are the independent campuses across our state. First, a little background on CINC member schools. Collectively, our Nebraska independent colleges and universities educate 35,000 students per year. These same higher education institutions award 30 percent of the state's bachelor's degree, 45 percent of the state's business degrees, and 30 percent of the education degrees, and over 50 percent of the degrees in health sciences. As you are aware, in the past 24 months, our healthcare professionals have had one of the most turbulent times in their profession. Healthcare professionals have been worked-- have worked tirelessly to maintain regular healthcare treatment while also working through a major pandemic in our country. We have lost a significant number of healthcare professionals due to stress, fatigue, and their own general health risks. The COVID-19 pandemic has highlighted and under-- the under resourced healthcare field, and we must find

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

creative and meaningful strategies to replenish our depleted workforce. CINC takes pride in educating and graduating 50 percent of the health science degrees in Nebraska. Our membership generates highly skilled workforce and students who are ready for a career upon graduation. Students who graduate with a CNA and/or a nursing degree are equipped with the necessary skills and experience to immediately begin making a difference for the patients they will serve. According to the Nebraska Department of Economic website, there are almost 4,000 jobs available between CNAs, LPNs and RN positions in Nebraska. The healthcare field is dependent on those positions to ensure that patients receive excellent medical care at the right time. The graduates from the CINC member institutions are critical to stabilizing our healthcare workforce in Nebraska. It is imperative now more than ever, we find ways to help students navigate their academic journey and that we remove as many financial barriers as possible. Utilizing the ARPA funds meets a growing and critical demand in our own healthcare community. ARPA funds, which provide support to students to successfully navigate their CNA, LPN or RN degrees, will ensure that Nebraska is able to rebound from the significant enabled--significant negative impacts from COVID-19 to our healthcare professions. LB1091 provides financial support to an array of students seeking a healthcare career in Nebraska. U.S. World News and-- U.S. News and World Report reported in September 2020 that loan debt has been on the rise in the last decade and that currently the average loan debt for students slightly exceeds \$30,000. While students are eligible for a number of scholarships, not all are eligible for free grants and loans to achieve their academic goals. LB1091 is proposing \$5 million to be allocated from the ARPA funds. These funds will go a long way to assisting students in lowering their debt while they work to achieve a certificate or a degree in healthcare. LB1091 will help grow and retain Nebraska's healthcare workforce into the future, as well as improve Nebraska's economy in the long run. For these reasons, the Council of Independent Nebraska Colleges supports LB1091 and asks you to please advance this bill.

ARCH: Thank you for your testimony. Are there any questions? Senator Williams.

WILLIAMS: Thank you, Chairman Arch. And thank you for being here and thank you for the work that you do. My question relates to the other line of questions that I've had. With, with the disciplines that could achieve receiving a scholarship under this bill, do you have room to put more students in those classes in your 13 schools?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

TREVA HAUGAARD: So I don't have all the details for you, but we do have one member from Nebraska Methodist College here that can speak more, probably with more detail to that. But I would say from general conversation, yes, there is more room for more students. I do not believe that all the, all the seats are full across all of our member campuses that do the healthcare initiatives.

WILLIAMS: OK, that's helpful.

TREVA HAUGAARD: Yes.

WILLIAMS: Thank you.

TREVA HAUGAARD: But Amy will give you more information on that from her perspective.

ARCH: Senator Walz.

WALZ: Thank you. Hello. How are you?

TREVA HAUGAARD: Hi.

WALZ: I was just curious, and maybe you don't know about this, but do you know if a student in high school who's working on their CNA would receive these funds as well or--

TREVA HAUGAARD: I don't, I don't know. I don't see anything that would prohibit that.

WALZ: I didn't either. I was just--

TREVA HAUGAARD: And also the CNA, from my, my experience, my high school daughter actually achieved her CNA last summer. That is less than the \$2,500 per student, right? So we could obviously put more funds to CNAs, if you will. It's \$500 to get your CNA, \$500, \$600, depending on probably the, the school. So I don't think that there's anything in the statute that's been proposed if they are Nebraska residents and then continue to work for two years thereafter, that they would not be able to achieve that.

WALZ: Well, you just answered another question. It is possible to get that done while you're in high school, so.

TREVA HAUGAARD: It is. Actually, if it was not for COVID, my daughter would have done that during her actual high school day. But she really wants to go into nursing, and so we did-- she did that as a hybrid

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

experience during the summer of her junior year. Upon turning 18, and that may or may not change, but upon turning 18, she can actually then go work in the hospital setting. Right now, she's working in a nursing home in our community, but she'll look to have another experience in the hospital setting after she turns 18.

WALZ: Great. Thank you.

TREVA HAUGAARD: Um-hum.

ARCH: Any other questions? Seeing none, thank you very much for your time--

TREVA HAUGAARD: Thank you.

ARCH: --and your testimony. Next proponent for LB1091.

AMY BLIEMEISTER: Good afternoon.

ARCH: Good afternoon.

AMY BLIEMEISTER: Chair Arch and members of the Health and Human Services Committee, my name is Amy Bliemeister, spelled A-m-y B-l-i-e-m-e-i-s-t-e-r. I am a registered nurse and I am the dean of professional development at Nebraska Methodist College and our college is part of the Council of Independent Nebraska Colleges. Senators, thank you for your time this afternoon and for recognizing the importance of nursing and nursing aides. Many others offering testimony here today have looked at the big picture of why CNAs, LPNs and RNs need scholarships. But I want to give you a specific example regarding why Nebraska Methodist College is supportive of LB1091. I want to start by telling you a little bit about us. Nebraska Methodist College is an accredited, private, not-for-profit nursing college located in Omaha, Nebraska. Our enrollment is around 1,200 degree-seeking students. Additionally, we train around 500 certificate students, and about 400 of those were CNA students this last year. We were established over 130 years ago and have been teaching healthcare ever since, as the need for skilled, compassionate healthcare providers is ever present. In the past decade, we have expanded our 76-clock hour CNA program across the community and the state to help alleviate the shortage of CNAs. In late 2020, our health system had well over 100 open CNA positions. Leadership was worried about what would happen with COVID numbers over the holidays and as we headed into the winter months while we waited on the vaccine rollout, would we have enough staff? Would patient care suffer? As the college in the health system, we took action and launched a free CNA program. We

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

initially planned to offer the course free to the first 50 who were registered, but the free spots were gone within 24 hours and we hadn't even launched our full-marketing campaign. So we doubled the amount of free CNA spots, but it was obvious that that was still not enough, so we increased the number again. We ended up having 191 students register for the free CNA, for the free CNA spots within two months. People were obviously interested and they wanted to become CNAs. They just needed that cost barrier removed. Unfortunately, now, a year later, things still haven't changed. We still don't have enough CNAs. Now within our health system instead of 100, we are lacking 150 CNA jobs. At our main hospital, we need 70 CNAs just to be on par with, with closing out those open jobs. These job vacancies are not unique to our health system. Our friends at CHI are in the same boat and everywhere else across the state is in the same place. The \$500 tuition may be all it takes to get someone into that first step into healthcare, and once we get them in the door, maybe we'll get them on the pathway to becoming an LPN or an RN. So thank you for your time and consideration of LB1091 for CNA scholarships, LPN and RN scholarships, and greatly appreciate it.

ARCH: Thank you. Are there any questions? Seeing none, thank you for your testimony.

AMY BLIEMEISTER: Thank you.

ARCH: Next proponent for LB1091.

ABBEY KLEIN: Good morning or good afternoon, I should say. Good afternoon, Chairperson Arch and committee members. My name is Abbey Klein, A-b-b-e-y K-l-e-i-n, and I'm testifying today in support of LB1091. I am an RN and a PhD candidate. I don't represent anyone but myself. But I'm here to offer a little bit of perspective on what the workforce has been like, what it's been like working in Nebraska throughout the pandemic. First of all, I started my career as a CNA. I didn't take CNA courses because I thought I want to be a nurse someday. I took the course because I went through four majors within two years and I didn't know what to do. I needed a job and I knew this would pay decently well. I figured I could figure out life after that. I took the CNA course, started working as a CNA, and I fell in love with nursing. I'm a product of the community college pipeline and I'm very proud of that. I completed my LPN, my associate's degree RN, my BSN, and now I am hopefully graduating with my PhD here soon. Health policy is a passion of mine and it's something that I've been involved in throughout my nursing career. I do want to mention, you know, no healthcare setting is immune to this nursing shortage. Just this

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

morning, I took my four-month-old to the pediatrician for a well-check, and the sign on the front door says, please expect delays. We have short-- we're short some staff. And that's fine. I don't mind waiting to see the pediatrician. But when it comes to emergencies-- sorry, when it comes to emergencies or inpatient hospitalizations, you know, we don't always have time to wait. There's not always time to wait. I think this bill has really great potential in helping address the nursing shortage. One thing that I wanted to point out is that as written, I don't know that all of the CNA programs offered in the state of Nebraska would qualify for the scholarship, for example, care centers in rural areas and high schools. I don't know that they would qualify as a postsecondary institution because they don't have regularly scheduled classes like a, like a community college or, or a university. Second, clarifying the work requirement would, you know, help improve this program because if we expect that-- if we expect the people who get the scholarship to work full time after they complete their program, there might be a barrier to them going on in their education. So if they complete the CNA certification and require-- are required to work full time, that might not be feasible for them. You know, they might need to go to that LPN program or the next step. So making sure that that's clear would be helpful for potential candidates for this program. I also wanted to talk about the experience of nursing. You know, there's-- I don't know that I can think of anything off the top of my head that's more human than nursing. And sometimes the working conditions that nurses experience are dehumanizing. So it doesn't matter how many students we push through these programs if we cannot support them once they get onto the floor. If we're expecting them to go 12 hours without a bathroom break or a meal break, it's not going to be sustainable. This is, this is a good, good start, and I, I want to emphasize that, but we can't push students through to an environment that won't support them in their long career in nursing. So part of addressing the shortage is addressing those systemic issues that we see time after time making sure that we can keep good nurses on the floor because we don't, we don't want anything fancy. We don't want pizza parties. We don't want, you know, thank you's. We don't want claps. We want to sit with our patients and teach them about their medications. We want to teach them when you go home, you know, this is how you can care for your husband. This is how you can support your husband and his recovery. This is how you can support your mom in her recovery from getting an LVAD implantation. We want to support and educate our patients. We don't, we don't need all the fancy stuff. I also, you know, like I said, this is part of fixing the nursing shortage. But investments in education infrastructure, like you mentioned, Senator Williams, is critical.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

Going forward, we cannot-- we, we have to invest in the system because if we don't have enough educators and we don't have enough colleges to educate these people, we can't-- we won't be able to meet the demands of our population. We also need to make sure that we're addressing the pay disparity between nurses and other healthcare professionals because as we are seeing nurses are leaving, they're getting travel contracts because they, they can get more that way. If nurses continue to be seen and talked about as an expense and not an asset, then we're going to continue to have this problem. I would encourage the committee to advance this bill to the floor, and I'd be happy to answer any questions you might have.

ARCH: Thank you for your testimony. Are there any questions? Seeing none-- oh, Senator Day.

DAY: Thank you, Chairman Arch. And thank you, Mrs. Klein, for being here today. I just have a nursing 101 question as someone who is not a participant in the field of nursing.

ABBEY KLEIN: Yeah.

DAY: Help me understand the difference between a CNA, an LPN, and an RN. Which one is a four-year degree. Which one is an associate's degree?

ABBEY KLEIN: So complicated question. CNA is a 75-hour requirement-- or 75-hour course that you can take at a variety of different places. The scope of CNAs are mostly, you know, there to work under the LPN or the RN. LPNs, it's a certificate program that you can get through a community college. You can only access that program through a community college, though.

DAY: OK.

ABBEY KLEIN: Well, I shouldn't say that, there might be a few colleges in Lincoln that offer LPN. There's also the associate's degree RN program, which you can-- I took the associate's degree route because it was cheaper, and you get your-- you can still sit for boards to become an RN, but one barrier with the associate's degree program is it can be difficult to find a job as an associate's degree RN. I was turned away for several jobs. I worked at hospitals and I applied at those hospitals, had letters of recommendation from inside, and was told I need a bachelor's first, which is fine. I took up a job at a rehab hospital. I loved it, so I got my BSN after that. But then the BSN is the true four-year degree, so you can either enter a BSN

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

program and go all the way through in one college or you can complete your "prereqs" at a public or private university and then transfer those "prereqs" after you apply to the two-year BSN program.

DAY: OK. Thank you. And--

ABBEY KLEIN: Yeah.

DAY: Can I ask another question?

ABBEY KLEIN: Yeah.

ARCH: Um-hum.

DAY: So when we talk about-- I, I heard another testifier saying that the shortage of nurses is related to the shortage of, of RNs. Are we talking about associate degree RNs or BSN?

ABBEY KLEIN: From my understanding of the data published by the state agencies, there is not a-- they don't report it differently. So RNs are reported as a conglomerate of ADNs and BSNs.

DAY: OK. And then Senator Williams had mentioned that we've heard that all of the seats in nursing schools are filled right now. When we talk about all of the seats being filled, are we talking about bachelor's degree nursing seats being filled or all nursing programs? Do you-- I mean, do you have any perspective on that?

ABBEY KLEIN: I can only, I can only speak to Metro Community College just from my personal experience and my communications with them. They fill all of their seats very quickly. It's highly competitive. In my class, there was only a few people without a 4.0 GPA that applied in BSN programs. It's my understanding, I could be wrong, but a majority of those seats are being filled. Also, you know, still very competitive. You have to have very good grades in undergraduate to get into these programs.

DAY: OK, so then I guess my following question would be if we are continually filling all of the seats in these programs and we're still having a shortage of nurses, are we missing something larger that I'm not understanding? Where are we losing these students going from graduating to then going into the workforce? Is there--

ABBEY KLEIN: I think it's a-- there's many prongs to this. The first one is that we don't have enough seats to fill these slots. Second, you know, you have to account for some students who once they

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

graduate, they may not work in the workforce right away. Some of them want to start a family and then take time off before they enter the workforce. Some want to continue on and to get their DNP or their PhD or their master's. You know, those students may not be working in the workforce at the time. Some people will take travel contracts because it's more money and they need to pay off their student loans. And, and I understand that I don't have a solution for the travel, for losing students to travel nursing. But you know, one of the biggest things is making sure that our hospitals can support these nurses because we cannot just push them out the door. We're not birds who learn to fly once we're pushed out of the nest. We need ongoing support and we need sustainable, healthy work environments.

DAY: OK, that's helpful. Thank you so much.

ABBEY KLEIN: Yeah.

ARCH: Thank you. Are there any more questions? Seeing none, thank you very much for your testimony. Next proponent for LB1091. Is there anyone that would like to speak in opposition to LB1091? Anyone want to speak in a neutral capacity? Seeing none, Senator Dorn, you're welcome to come up. We received nine letters, proponents for LB1091, one letter as an opponent, and one letter in the neutral capacity. You may close.

DORN: Well, thank you. Thank you for taking the time to hear everybody test-- that testified for this. I sometimes tell people that if you want to find out how good your bill is, then go ahead and introduce it and then wait for the feedback. And my goodness, this one here, as you can see, we had, we had a lot of feedback and part of that wanted to make a couple of comments. And part of that, as I said in my opening statement, Dr. Anthone, our chief medical officer for the state, he did reach out to us with this, and that was part of the things we introduced-- or get in amendment and it does include registered nurses. I want to apologize to some of the people that talked here. They-- we didn't reach out to everybody and said that this was an amendment that we're going to introduce. When we came forward with this bill, though, we, we intended-- or the proposal was to have some things in there to help and help, I call it, fill the pipeline back up and that, that need, not only for registered nurses, but licensed practical nurses and such, that need is also there. And you asked the question about it would be 2,000 students. Well, it's \$2,500 per student per semester. So that lowers it less yet and we-- part of when they brought this bill to us to maybe introduce was the student loans and that type of stuff, the cost of some of these people that cannot

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

almost afford to go to the college to get this degree or to get this type of education so that they can help us. COVID has really compounded this. And as long as it's gone on, it's created more issues and more maybe workforce burnout and that type of things. This bill here, we're, we're open to other suggestions. I'm sure after the hearing, we'll have maybe some more again. And you know, it, it is something that definitely fits under the ARPA program. As you guys know, I sit in Appropriations. There's a lot of requests for ARPA funding, so that'll be in an overall bigger picture yet where all that all goes. But I thank you very much for taking the time and listening to all the comments very much.

ARCH: Thank you. Thank you. Are there any final questions? Seeing none, thank you for visiting us today.

DORN: You bet. Thank you.

WILLIAMS: Come back again soon.

DORN: I'm jealous for you always having a big room.

ARCH: Yes, that's true.

DAY: That room is so cramped.

DORN: Wasn't it.

DAY: Like, I walked in there. I was, like, is this-- am I in the wrong room?

ARCH: That will close the hearing for LB1091. Are you opening? OK. And we will now open the hearing for LB1007. And in place of Senator Murman today, we have John. If you could open and--

JOHN ADAMS: Sure.

ARCH: --state your name and, and spell it for the transcribers.

JOHN ADAMS: Good afternoon, Chairman Arch and members of the Health and Human Services Committee. My name is John Adams, J-o-h-n A-d-a-m-s, and I'm pinch-hitting for Senator Murman who's testifying before the Judiciary Committee right now, so. LB1007 is a bill that modifies the Rural Health Systems and Professional Incentive Act to ensure that we can fully maximize federal dollars coming into Nebraska. The act contains the governing statutes for the rural health professional student loan repayment program that is housed at DHHS. If

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

you're not familiar with the program, it provides for funds for student loan repayment to health professionals who go and practice in rural health shortage areas. There is a practice commitment of three to four years for those professionals. Otherwise, they're required to pay back the funds they had already received if they break the commitment. The program is open to physicians, physician assistants, nurse practitioners, dentists, pharmacists, occupational therapists, physical therapists, psychologists, and other mental health professionals. In the last several years, there's been a waitlist for this program, which means we weren't fully maximizing our options to send more health professionals to rural areas to address the access issues even though the, the demand is there. Fortunately, in last year's budget, the Legislature increased funding for the program to address the waitlist, but those funds are dwindling rapidly. The intent of LB1007 is to further maximize this important program by making it clear in statute that if federal law does not require a local match, the state does not require a local match. Currently, the program does require a local match as a way for local communities to have skin in the game in partnership with the state. However, due to the pandemic, the federal Health Resource Services Administration will be sending funds to the state for this program that waives the local match requirement. Pair those funds with ARPA funds, which also do not require a local match, and we have the opportunity to vastly increase the number of health professionals serving in rural shortage areas. Senator Murman has a companion bill, LB1269, that allocates the ARPA funds for that purpose. When these federal funds are exhausted, the program will revert back to requiring a local match commitment from the locality, meaning that the state does not bear an increased ongoing cost for this program with the language of LB1007. The fiscal note mentions that this intent was not clear in the bill, so Senator Murman's office will work to ensure that the intent is clearly reflected in the bill so that we may capitalize on the ARPA funds being requested for this program. Thank you for your time. I'm hoping this is something the committee can get done this year so we can take full advantage of the federal funds that are available. I'd be happy to answer any questions, those experts following me are probably more familiar with the subject.

ARCH: Thank you. Are there any questions? Seeing none, thank you for your opening.

JOHN ADAMS: Thank you.

ARCH: Welcome the first proponent for LB1007.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

DAVE WATTS: I'm going to be adventurous. Chairman Arch, members of the committee, my name is Dr. Dave Watts, that's D-a-v-e- W-a-t-t-s. I'm a retired physician in Omaha and a current president of the Nebraska Medical Association testifying in support of LB1007. NMA is grateful to Senator Murman for introducing this timely legislation and to the committee members who are cosponsors. As you heard from Senator Murman's pinch-hitter, the rural health professionals student loan repayment program helps improve rural access to healthcare. It's so popular that it's had a waitlist the past last several years, as you heard, of health professionals that would like to participate. The NMA very much appreciates the Legislature last year appropriating funds on last year's budget to address that waitlist. The program is not only popular, but it's effective. According to a 2018 DHHS and University of Nebraska studies-- study in small towns and rural areas in Nebraska, 4 of 10 primary care providers used student loan repayment programs. Plus, these same primary care professionals stayed significantly longer in those shortage areas than providers who did not participate. In short, the program addresses healthcare shortages in rural Nebraska by recruiting, incentivizing, and retaining health professionals. And you heard the health professionals that that includes. In anticipation of federal funds coming to Nebraska, the NMA and other state healthcare partners took a close look at how to best leverage these funds to improve rural healthcare access. Using ARPA funds to augment student loan repayment in our state makes sense to us. Why? Because it increases access. It directly addresses rural/urban health disparities, which are significant. It makes a huge financial impact on local economies, and importantly, it yields an impressive return on investment. We believe Senator Murman's companion bill in LB1269 before the Appropriations Committee moves Nebraska toward those objectives. However, we also learned that a barrier to the program was a requirement of the matching funds from the local community or clinic, which sometimes operate on very thin margins. It can be a steep climb, especially with COVID downturn to access those funds. LB1007 temporarily addresses that issue so that we can fully utilize federal funds to help erase-- help ease our rural health shortage in Nebraska. As was mentioned, LB1007 doesn't eliminate the local match requirement. Rather, it's a temporary suspension of the match limited to this unique time where we find ourselves. After the federal funds have been spent down by the program, local communities will again be required to have skin in the game to partner with the state. So taking full advantage of ARPA and funds from the Health Resource Services Administration, we have an opportunity to bring needed providers to rural and small town communities that may not be otherwise able at this time to meet the local match requirement. Given

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

our limited window to make a major impact on access to rural healthcare at a minimal cost to the state, the NMA respectfully urges full support from the committee to advance LB1007. Thank you, Senators, for your time. Any questions?

ARCH: Yeah, a lot of questions, but just trying to get my-- I'm not that familiar with the program, so it's an existing program, existing federal program where dollars are passed through the state to have some loan forgiveness, but the requirement is there for a local match.

DAVE WATTS: Correct.

ARCH: OK. So that's an existing program.

DAVE WATTS: Yes.

ARCH: So what we're doing here is, in essence, the statutory change that would allow ARPA funds to be used with no required match.

DAVE WATTS: That's correct. And that's a temporary change. And as, as an example, if there's a, a critical access hospital, for example, struggling to make ends meet, struggling to hire staff, those funds to match up to \$30,000 a year for a, for a health professional to come in are difficult to reach. And this bill would temporarily take away that requirement to take advantage of the ARPA funds.

ARCH: But just for the, I, I guess, just for the use. In other words, the existing program still has a match requirement.

DAVE WATTS: That is correct.

ARCH: And that doesn't-- that part doesn't temporarily go away as well?

DAVE WATTS: The, the match requirement would go away temporarily.

ARCH: For, for the entire program?

DAVE WATTS: For, for the program that relies on the ARPA funds--

ARCH: Oh.

DAVE WATTS: --to my understanding--

ARCH: OK.

DAVE WATTS: --the health resource funds.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 11, 2022

ARCH: OK. All right. Because that doesn't-- that-- those dollars don't require a match.

DAVE WATTS: That's correct.

ARCH: The ARPA funds don't require a match.

DAVE WATTS: That's correct.

ARCH: OK. OK. I think I understand it. All right. Thank you. Are there other questions? Seeing none, thank you for your testimony.

DAVE WATTS: Thank you.

ARCH: Next proponent for LB1007.

ABBY ALFS: OK.

ARCH: Welcome.

ABBY ALFS: Senator Arch and members of the Health and Human Services Committee-- take this off, my name is Abby Alfs, A-b-b-y A-l-f-s, and I'm the chief human resources officer at Fillmore County Hospital. Fillmore County Hospital is a 20-bed critical access hospital with a 10-bed geriatric psych DPU. I'm also representing NABHO, the Nebraska Association of Behavioral Health Organizations. NABHO is a statewide organization advocating for our 52-member organizations, including behavioral health providers, hospitals, regional behavioral health authorities, and consumers. Our mission is to build strong alliances that will ensure behavioral health services, including mental health and substance abuse disorder services, are accessible to everyone in our state. I am here today testifying in support of LB1007. LB1007 amends the program providing loan forgiveness for rural health professionals, including mental health providers and psychologists, to allow for potential new federal dollars to support the community match if there is not federal requirements. The bill will take some pressure off of rural communities while still providing the full amount of loan forgiveness for the provider. We have struggled to recruit mental health professionals to rural Nebraska to practice for a multitude of reasons. The most tangible being the pay differential between urban and rural areas. Our rural providers aren't given the same financial opportunities as those who establish a private practice in urban areas. While these are necessary services, they don't reach the same clientele that remain underserved in rural areas. We have had job vacancies in these positions since the program's inception in 2011 and continue to try to match our urban counterparts offers, but are not

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Health and Human Services Committee February 11, 2022

paid the same as private practices. Instead, we are paid at Medicaid rates, which is a different issue in and of itself. We currently have two mental health job vacancies and have had to start carrying a waitlist for the first time since 2011, delaying necessary patient care to our community. There was a provider shortage prior to COVID. Concerns over mental health have risen, necessitating the need for additional treatment and widening the gap between providers and patients. This, combined with people leaving the healthcare-- this, combined with people leaving healthcare and an aging community in rural Nebraska, has exacerbated this program-- problem. As is relative with all healthcare recruiting, we are at a geographic disadvantage, particularly in Geneva, Nebraska. We are one hour away from Lincoln and Grand Island and an hour and a half away from Omaha. This allows healthcare professionals the opportunity if they choose to do so to live in or around Geneva and commute for a higher wage, putting our hospital at a competitive disadvantage in relation to larger facilities. The likelihood to recruit those that do not live in or were not raised in our area without incentives such as the community match to decrease their student loan burden at an accelerated rate is insignificant. Our providers are coming out of school with a massive amount of student loan debt with three of our providers having had at least \$90,000. The starting wage for a provider is around \$50,000, with the highest being \$71,000 after they've worked for many years, making it more difficult to pay down the student loan debt with the current cost of living. We currently have three providers that are benefiting from this program and have had others in the past that have as well. This ensures stability for our behavioral health programs as it ensures their commitment for at least three years to our facility. The workforce environment has changed dramatically with people reevaluating their career paths, especially those in healthcare fields. Healthcare providers are finding themselves at a competitive disadvantage when it comes to retaining and recruiting professionals. These types of loan forgiveness programs help provide needed incentives to encourage people to explore the rewards of these caring professions. Delaying our community match would allow for us to be more competitive with our wages, sign-on bonuses, and other incentives for staff. We thank Senator Murman for introducing LB1007 and look forward to the benefits we may realize with its passage. Thank you for your time and attention. I'll be happy to answer any questions.

ARCH: Thank you. Are there any questions? Seeing none, thank you for your testimony.

ABBY ALFS: Thank you.

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ARCH: Thanks for coming today. Next proponent for LB1007. Welcome.

ANDY HALE: Good afternoon, Chairman Arch, members of the HHS committee. My name is Andy Hale, A-n-d-y H-a-l-e, and I am vice president of Advocacy for the Nebraska Hospital Association, and I'm here to testify in support of LB1007. There are substantial gaps in the distribution of health professionals across Nebraska, 66 of Nebraska's counties have been deemed medically underserved. Our hospitals struggle attracting and retaining physicians, nurses, and other healthcare professionals. Fourteen percent of total employment in rural communities is attributed to the health sector. One primary care physician in a rural community creates 23 jobs annually. The program that we've talked about here has a 93 percent success rate and has been instrumental in the recruitment and the retention of healthcare providers to the rural communities. I'd like to thank Senator Murman and his staff for bringing this bill, and we will ask you to advance it. That being said, we worked with the NMA on this issue. We were very supportive last year when Senator Stinner brought a bill to appropriate it. But as I was pulling up to the Capitol, I had a conversation with one of our members who serves on the Rural Health Advisory Commission and he had some concerns with it that I think John Adams did a good job addressing. We want to make sure that when you remove this facility match, that it doesn't impede workforce. There is obviously a companion bill that goes with this that asks for \$10 million in appropriations. I just know working here as, as someone that drafted policy and at the federal level, there is always a concern that your, your draft or your policy had unintended consequences. And so we are in full support of the idea and I, and I believe Senator Murman and his staff when they will clear this up. Even reading the fiscal note a little bit, it was a little ambiguous about the intent of this, but we support the bill and the concept that it is doing helping out our facility. So with that, I'll take any questions.

ARCH: Thank you. Are there any questions? I, I have one in, in the concept, the development of it, why didn't you just continue the match and, and double the impact of the--

ANDY HALE: And put the money in.

ARCH: --of the ARPA funds?

ANDY HALE: We didn't draft the bill. We worked with an organization that did. I would probably--

ARCH: OK.

ANDY HALE: --yeah, say that.

ARCH: OK.

ANDY HALE: Yeah.

ARCH: All right. All right, thank you. Any questions? Seeing none,--

ANDY HALE: Thank you, Senators.

ARCH: --thanks for your testimony. Other proponents for LB1007? Anybody want to speak in opposition to LB1007 or neutral capacity? Seeing none, Senator Murman, welcome back. You're welcome to close.

MURMAN: Well, thank you, Senator Arch, and--

ARCH: By the way, by the way, John did a really nice job.

MURMAN: OK.

ARCH: You need to give him a raise.

MURMAN: Thank you, John, for opening and, and thank everyone that testified. LB1007 gives us a chance to enhance a successful state program and bolster rural healthcare in areas that really need it. And traveling around the state and around the district, I've seen, especially now with the workforce shortage and, you know, where in our society is workforce more important than in healthcare and especially in the times we're in right now and talking to different providers and, and hospitals and so forth around the district having to use traveling nurses and traveling medical professionals is so much more expensive. So anything we can do, do to bolster the workforce shortage in healthcare, I think needs to be done. So thanks a lot and I'll answer any of the questions that I missed all the testimony, so.

ARCH: Are there any questions? Seeing none, I would just simply say before we close, we, we did receive three letters as proponents: Nebraska Psychiatric Society, the Health Center Association of Nebraska, and Nonprofit Association of the Midlands. And with that-- and, and no opponents and no neutral. And with that, we will close LB1007, and the, and the hearings for the committee for the day.