



Department of Health and Human Services

FAQ

Frequently asked questions about
Nebraska's largest agency



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Introduction

The Department of Health and Human Services (DHHS) is the face of state government to many Nebraskans. It is the largest state agency, both in terms of what it costs to run the department and the number of persons it employs. DHHS programs serve the state's citizens from cradle to grave. From medically fragile newborns to the frail elderly, DHHS' clients are among the poorest and most vulnerable Nebraskans.

The agency administers core services such as Medicaid and the child welfare system. It oversees the state's 24-hour care facilities, including veterans' homes, the Beatrice State Developmental Center (BSDC) for persons with developmental disabilities, youth rehabilitation and treatment centers for delinquent youth, and regional centers treating sex offenders and persons with behavioral health and substance abuse disorders. DHHS also licenses health professionals and facilities, tracks diseases, and serves as a repository for birth and death records, marriage licenses, and divorce decrees. It administers millions of dollars in federal aid and grants.

Because of its size and the importance of its services to Nebraskans, issues relative to DHHS are often before the Legislature. In recent years, DHHS has made a series of missteps as it seeks to streamline service delivery while being mindful of public tax dollars. The privatization of child welfare services, the new system of accessing benefit programs called AccessNebraska, and the loss of federal accreditation for BSDC have garnered legislative scrutiny.

This FAQ is offered as a primer on the department, its history, and services, but, please note, this FAQ is just a snapshot of a complex agency. If you have further questions related to this FAQ, DHHS or any of its programs, or any topic of legislative interest, contact the Legislative Research Office and we will be happy to help you.

In writing this FAQ, the Legislative Research Office primarily relied on documents from DHHS, the Legislative Fiscal Office, and the Legislative Audit Office. We would especially like to thank Kathie Osterman, Bryson Bartels, Tricia Mason, and Teri Chasten of DHHS; Michelle Chaffee, current director of the Office of Public Guardian and former legal counsel to the Legislature's Health and Human Services Committee; and Legislative Fiscal Analyst Liz Hruska.



The Department of Health & Human Services

How is DHHS structured?

DHHS is a code agency of state government, under direct control of the Governor. Its top executive is the chief executive officer (CEO), who is nominated by the Governor and confirmed by majority vote of the Legislature.

DHHS is organized into six divisions, based on the type of service provided. The divisions are: Behavioral Health, Children and Family Services, Developmental Disabilities, Medicaid and Long-Term Care, Public Health, and Veterans' Homes. The Governor appoints and the Legislature confirms each division's director.

Several administrative offices support the overall operation of the department. They include: the Office of the Chief Operating Officer, Communications and Legislative Services, Information Systems and Technology, and Legal Services. Additionally, there is the State Long-Term Care Ombudsman Program. The CEO appoints administrators for these offices.

What are the statutory duties of DHHS?

DHHS administers publicly funded health and human services programs, essentially carrying out the functions of the Health and Human Services Act, Neb. Rev. Stat. secs. 81-3110 to 81-3124 and 81-3133.01 to 81-3133.03.

What state institutions does DHHS supervise?

DHHS operates ten 24-hour care facilities. They are the Beatrice State Developmental Center, Lincoln Regional Center, Norfolk Regional Center, Hastings Regional Center, Grand Island Veterans' Home (scheduled to be replaced by a new veterans' home in Kearney, see page 15), Norfolk Veterans' Home, Western Nebraska

Veterans' Home, Eastern Nebraska Veterans' Home, Youth Rehabilitation and Treatment Center-Geneva, and Youth Rehabilitation and Treatment Center-Kearney.

How big is DHHS?

DHHS is the state's largest agency, comprising about one-third of state government. In terms of the state's General Fund, only publicly funded education gets a larger state appropriation. DHHS also expends 58 percent of the federal dollars coming into the state, generally for public assistance programs such as Medicaid and Aid to Dependent Children (ADC).

What is DHHS' budget?

In fiscal year 2014-2015, the department's total budget, including all fund sources, was \$3,492,063,084. Of that amount, \$1,513,918,203 were General Fund appropriations.

The remainder of the budget comes from federal (\$1,801,648,328) and cash (\$176,496,553) funds. Budget information specific to each division is contained in the sections discussing each division. Unless otherwise noted, the figures are for fiscal year 2014-2015.

How many employees work for DHHS?

The department has 5,579 full-time-equivalent employees.

How many Nebraskans does DHHS serve?

Broadly speaking, potentially everyone. Public health activities, by definition, are population-based and serve communitywide health issues. However, other DHHS programs and services are tailored to specific groups, such as poor families who need economic assistance or intellectually disabled adults who need specialized services to maintain a job and live in the community. DHHS serves approximately 400,000 people through





those programs and services, either directly or through contracts with private service providers.

How long has Nebraska provided health services?

The territorial Legislature passed the first “pauper law” to care for the medical needs of the indigent and also established institutional care for “insane persons.” In 1891, the state Legislature established a Board of Health and, in 1919, created the first Department of Public Welfare to perform child welfare and public health duties.

How did the current departmental structure develop?

Over time, the provision of welfare and medical services see-sawed among various state agencies, as the Legislature shifted, abolished, and then re-created governmental departments. By 1995, health and human service functions were spread across numerous state agencies when then-Governor Ben Nelson signed an executive order to study the delivery of these services. The year-long study resulted in a proposal for a unified Health and Human Services System that was intended to increase government efficiency, while providing better services to Nebraskans. In 1996, the Legislature considered and adopted LB 1044, the Nebraska Partnership for Health and Human Services Act.

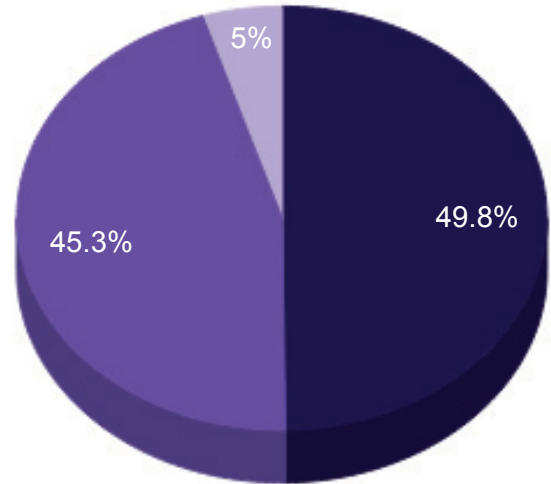
LB 1044 eliminated the former state departments of Aging, Health, Public Institutions, and Social Services, and the Office of Juvenile Services within the Department of Correctional Services and placed their duties within the new Health and Human Services System (HHSS).

The system was composed of three separate but interdependent departments. The departments were: The Department of Health and Human Services, the Department of Health and Human Services Regulation and Licensure, and the Department of Health and Human Services Finance and Support. Each department had its own director and coordination of the departments was overseen by a policy secretary and governed by a policy cabinet, composed of the department directors, the policy secretary, and a chief medical officer, if the director of Regulation and Licensure was not a doctor.

Another major structural change occurred in 2007. At the request of Governor Dave Heineman, LB 296

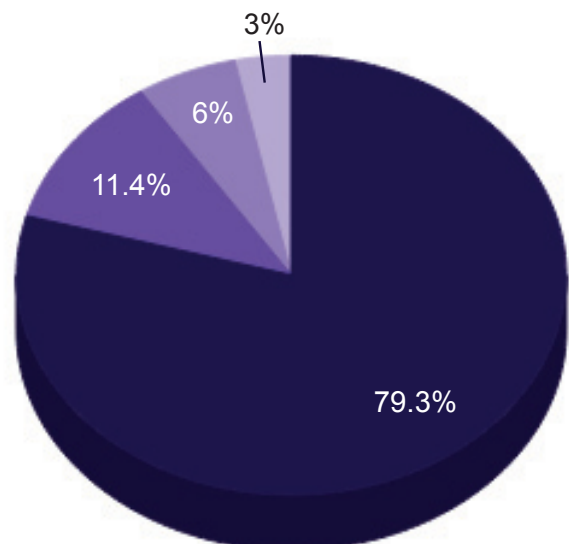
Where does DHHS get funding?

- Federal Funds - \$1.51 billion
- State General Funds - \$1.37 billion
- Cash Funds - \$147 million



Where does the money go?

- Client Benefits & Services - \$2.4 billion
- Administrative Services - \$346 million
- State-operated Services - \$179 million
- Population-based Services - \$101 million



Source: DHHS, 2014

was introduced to combine the three interdependent departments of the Health and Human Services System into one agency. At the hearing before the Health and Human Services Committee, the bill's introducer stated that the intent was to restructure HHSS "into a single agency to clarify the agency's core missions, scope, functions, and responsibilities; enhance the services provided to Nebraskans; and ensure and improve accountability, coordination, efficiency in the delivery of this service."

Whether this latest change has served those purposes continues to be a subject of debate before the Legislature in 2015.

Where is DHHS located?

The main administrative offices are located in the State Office Building in downtown Lincoln. An additional 39 satellite offices are located in communities statewide, including four in Omaha. The locations of community offices can be found on the DHHS website. There are also four customer service centers that respond to phone queries. The customer service centers in Fremont and Scottsbluff serve economic assistance clients and those in Lincoln and Lexington serve Medicaid recipients.

What is AccessNebraska?



AccessNebraska is the system used to apply to DHHS for Medicaid and most economic assistance benefits. AccessNebraska began operation in 2008 with an online application for benefits. Subsequent expansions to the system gave clients the ability to review their benefits, report case changes, and upload documents. The key components of AccessNebraska are the web-based portal, customer service centers (accessed by phone), and the face-to-face availability of caseworkers at DHHS local offices and staff at "community partner" agencies.

The first customer service center opened in 2010 and the last of the four became operational in 2012.

AccessNebraska had a rocky rollout. The change was dramatic and seemed abrupt, especially for the elderly, disabled, and low-income populations served by many of DHHS' programs. Clients no longer had an individual caseworker assigned to them. They were encouraged to use the online portal to apply for benefits, despite limited access to computers for many clients. When the customer service centers opened, reports of excessively long wait times were commonplace and these centers continue to draw complaints.

On the other hand, web-based portals for accessing health care and medical and economic assistance programs are the national trend, encouraged by the federal government. For some DHHS clients, such as individuals who find it difficult to leave work, face transportation issues, or are out-of-state adult children with elderly parents in Nebraska, the online access has been welcomed, DHHS officials report.

How did the Legislature respond to the complaints?

Vigorously. AccessNebraska has been the subject of three interim studies, a legislative audit, numerous bills and, in 2014, the subject of the AccessNebraska Special Investigative Committee. In 2012, the Legislature enacted LB 825. The bill required DHHS to partner with community organizations to help clients navigate AccessNebraska and to staff local DHHS offices with sufficient caseworkers to meet client needs. Funding accompanying LB 825 allowed DHHS to retain 22 caseworkers scheduled for layoff and to hire an additional 22 staff.

What has DHHS done to improve AccessNebraska?

Most recently, DHHS split service delivery for economic assistance and Medicaid, dedicating two phone lines for Medicaid and two for economic assistance. Department spokespersons say this has reduced wait times for callers and increased caseworker familiarity with programs. DHHS has also increased local office staffing and increased the number of dedicated caseworkers who are assigned to specific high-needs clients. Both the Division of Medicaid and Long-Term Care and the Division of Children and Family Services have undertaken regular quality reviews.



The Division of Behavioral Health

What are the statutory duties of the Division of Behavioral Health?

The division acts as the state’s chief behavioral health authority and directs the administration and statewide coordination of the public behavioral health system, which includes the state psychiatric hospitals and publicly funded community-based behavioral health services. Further, the division adopts and promulgates rules and regulations to carry out the Nebraska Behavioral Health Services Act, Neb. Rev. Stat. secs. 71-801 to 71-815.

How is the division structured?

The division is divided into the office of the Chief Clinical Officer, Community-Based Services, the Office of Consumer Affairs, and the regional centers.

What does the Chief Clinical Officer do?

The chief clinical officer serves as the medical director for the division and all facilities and programs operated by the division. He or she must be a board qualified psychiatrist. The chief clinical officer is appointed by and reports directly to the division director.

What is the job of the Office of Consumer Affairs?

The Office of Consumer Affairs operates a toll-free consumer hotline and provides other consumer and peer-driven support and advocacy for persons with behavioral health needs. The office administrator is, by statute, a consumer or former consumer of behavioral health services.

What are community-based services?

In the context of the Division of Behavioral Health, community-based services are services

Division Fast Facts

Statutory authority: Neb. Rev. Stat. secs. 71-806 and 81-3113(1)

Employees: 808

Budget: \$158,010,913

delivered outside of a hospital or in-patient treatment facility to persons with mental health or substance abuse disorders. Delivery of community-based services has grown more important since the Legislature enacted reforms in 2004 to the state’s behavioral health system that favored community settings over institutionalization.

How are behavioral health services provided?

The division provides funding, oversight, and technical assistance to six locally governed behavioral health regions. The counties composing each region establish a behavioral health authority and contribute a county board member to sit on the region’s governing board. Each county contributes funding to their regional behavioral health authority in a statutorily set formula. The regions, in turn, contract with local programs to provide services to clients.

What are regional centers?

Regional centers—there are three—are the vestiges of the state’s psychiatric hospitals, once known as insane asylums. Their population and function have shifted over time, particularly as norms of care became more humane and science-based during the 20th century and as community services became the standard, preferred place for treatment in the 21st century.



Did you know?

- 1,549 youth received mental health services in 2013.
- Substance abuse affects 134,000 adults in Nebraska.
- The Nebraska Network of Care website tallied more than 98,000 visitors in 2014.



Today, the Lincoln Regional Center provides general psychiatric services for persons committed by a Board of Mental Health or a court and for sex offenders; the Norfolk Regional Center provides sex offender treatment; and the Hastings Regional Center serves as a chemical dependency/addiction treatment facility for male youths involved in the juvenile justice system.

Who receives behavioral health services?

In fiscal year 2013, the division paid for services for 31,984 individuals. Of those persons, 21,114 received mental health services, 13,902 received substance abuse disorder services, and 502 persons received dual-disorder services. (Dual disorder means persons with both a diagnosed mental illness and a substance abuse disorder.)

About 55 percent of individuals receiving services in 2013 were males and nearly 57 percent of the total were between ages 21 and 44. Ethnically speaking, the vast majority of service recipients were white (84 percent) and non-Hispanic (92 percent).

What is the Nebraska Network of Care?

The Nebraska Network of Care is a website operated by the division for people with mental illness, their caregivers, and service providers to access information about pertinent issues ranging from diagnosis and treatment to resources and insurance. Via the website, consumers can communicate directly with others

and confidentially organize and store personal health records.

What about youth with behavioral health issues?

The state's experience with the initial enactment of a safe haven law intended for newborns, which led to the "abandonment" of 36 older children at Nebraska hospitals for essentially behavioral health reasons, exposed a gap in the system. The Legislature responded with the Children and Family Behavioral Health Support Act, Laws 2009, LB 603. The act created the Nebraska Family Helpline and Family Navigator Services.

The helpline, operated through a contract with Boys Town, provides a single point of access to children's behavioral health services and crisis intervention through the operation of a 24-hour toll-free phone line.

Family navigators provide peer assistance, guiding families who have a child with behavioral health needs to available services. This program is operated through a contract with the Nebraska Federation of Families for Children's Mental Health.

The division also has funded and monitored the Professional Partner Program since 1995 for youth diagnosed with an emotional and/or behavioral disturbance. The program, operated by the behavioral health regions, coordinates wrap-around services individualized to the child.



The Division of Children & Family Services

What are the statutory duties of the Division of Children & Family Services?

The division administers (1) protection and safety programs and services and (2) economic and family support programs and services.

The division has significant duties pertaining to the Child Protection and Family Safety Act (Neb. Rev. Stat. secs. 28-710 to 28-727); Adult Protective Services Act (Neb. Rev. Stat. secs. 28-348 to 28-387); Welfare Reform Act (Neb. Rev. Stat. secs. 68-1708 to 68-1735.04); Disabled Persons and Family Support Act (Neb. Rev. Stat. secs. 68-1501 to 68-1519); Homeless Shelter Assistance Trust Fund Act (Neb. Rev. Stat. secs. 68-1601 to 68-1608) and Protection from Domestic Abuse Act (Neb. Rev. Stat. secs. 42-901 to 42-931).

How is the division structured?

The Division of Children and Family Services is divided into the offices of (1) Economic Support, (2) Juvenile Services, (3) Protection and Safety, (4) Research, Planning, and Evaluation, and (5) Chief Financial Liaison. The division divides the state into five service areas. Service area employees are responsible for the administration and delivery of services at the local level.

What programs fall under the category of “protection and safety”?

Child welfare services, which includes abuse and

Division Fast Facts

Statutory authority:
Neb. Rev. Stat. sec. 81-3116(2)

Employees: 1,665

Budget: \$510,523,541

neglect investigations and case management, adult protective services, domestic abuse and sexual assault prevention and services, foster care, and adoption assistance are all programs within the protection and safety category.

What programs fall under the category of economic and family support?

Economic and family support programs include well-known, major assistance programs such as Aid to Dependent Children (ADC) and the Supplemental Nutritional Assistance Program (SNAP, formerly known as food stamps). But they also include numerous other programs that may be lesser known but supplement the social safety net. These programs include assistance to families with severely medically handicapped children, commodity food distribution programs, and aid to refugees.

Economic and Family Support Programs

- Supplemental Nutrition Assistance Program
- Low Income Home Energy Assistance Program
- Aid to Dependent Children (including Employment First)
- Assistance to the Aged, Blind, and Disabled
- Social Services Block Grant for Aged and Disabled and for Children and Families
- Refugee Resettlement Program
- State Disability Program
- Child Care Subsidy
- Food Distribution Program
- Medically Handicapped Children’s Program
- Lifespan Respite
- Disabled Persons and Family Support
- Nebraska Homeless Assistance Program
- Community Services Block Grant
- Child Support Enforcement



What are the largest economic assistance programs and how are they funded?

- **Supplemental Nutrition Assistance Program (SNAP)** served 76,756 households in September 2014, the majority of whom are working families with children. SNAP benefits are provided monthly on an electronic benefit card and are available generally to households with a gross income less than 130 percent of the federal poverty level. Able-bodied adults without dependents must also meet a work requirement or face time-limited benefits. SNAP must be used to purchase food. The federal government pays the full cost of SNAP benefits and splits the cost of administering the program with states. In fiscal year 2013-2014, Nebraskans received \$248,035,420 in SNAP benefits.
- **The Low-Income Heating and Energy Assistance Program (LIHEAP)** served 39,013 households in 2013. LIHEAP helps limited-income households offset the costs of heating and cooling their homes. Eligibility is based on resources and income. Help with cooling is available only to households with a member who is at least 70 years of age or suffers from a medical condition that makes him or her particularly susceptible to heat. LIHEAP also helps in emergency situations when eligible persons are threatened with a utility shutoff. The federal government funds the full costs of the program, which in 2013 was \$29,623,498.
- **The Child Care Subsidy Program** served 18,501 families in September 2014. The program assists low-income families with child care costs. Child care subsidies are paid directly to child care providers at rates based on the DHHS Biannual Child Care Market Rate Survey. Qualifying families must meet income and work or educational guidelines to qualify. The federal government pays for about 40 percent of the program. The program's total budget in fiscal year 2013-2014 was \$99,217,124, of which \$40,106,691 was paid by the federal government from Child Care and Development Block Grant funds and \$59,110,433 was provided by state General Fund revenue.
- **Aid to Dependent Children (ADC)**, also known as Temporary Assistance to Needy Families (TANF), served 6,489 families in September 2014. The program provides cash assistance to low-income families with children age 18 or younger. To be eligible, families must meet income standards. All ADC adults who are able to work must participate in the Employment First program and cooperate with child support enforcement to remain eligible for assistance, which is time-limited for most families. The federal government pays about 66 percent of the program. In fiscal year 2013-2014, the program's total budget was \$27,770,945, of which the federal government paid \$18,277,600 and \$9,493,345 was paid from state General Fund revenue.



Doesn't the division also administer juvenile justice programs?

In a move that also signaled a shift in emphasis from jailing youthful offenders to community-based treatment programs, the Legislature passed Laws 2013, LB 561, which transferred authority of state wards in the juvenile justice system from DHHS to the Office of Probation Administration, under the authority of the Nebraska Supreme Court. However, the Division of Children and Family Services retains oversight of the two Youth Rehabilitation and Treatment Centers in Kearney and Geneva, but the centers now are reserved for serious juvenile offenders who are considered dangerous or a flight risk.

What are child welfare services?

Child welfare services include investigation of reports of child abuse and neglect, intervention when necessary, services to support family reunification, supervision of foster children, and ultimately if necessary, termination of parental rights and adoption.

The state assumed responsibility for administering child welfare services in 1982 with the adoption of LB 522. Prior to that, child welfare services had been a shared responsibility with the counties. Counties administered protective services and the state set policy and paid the bills. Neb. Rev. Stat. sec. 43-707 assigns duties pertaining to the protection of children to DHHS. Among its duties are licensing and oversight of institutions, agencies, and societies or persons who care for, receive, place, or handle children.

Child welfare, notably DHHS' attempt to privatize child welfare functions, is another area in which the Legislature has intervened, most notably with a plethora of bills in 2012, following the exhaustive *Review, Investigation and Assessment of Child Welfare Reform*, which is the report of the 2011 LR 37 interim study.

Reform continues. Most recently, DHHS received federal funding to provide services that avoid out-of-home placement for children at low risk for abuse and neglect, which includes implementing "alternative response," a concept authorized by Laws 2014, LB 853.

Did you know?

- In 2013, about one in 10 Nebraskans received food stamps.
- New child welfare initiatives are credited with a 34 percent reduction in the number of children in DHHS custody, from 6,148 children in 2009 to 4,009 in 2014.
- The Adult Protective Services hotline received 12,309 calls in 2013.
- Funding supported 21 statewide and four tribal domestic violence programs.

What about vulnerable adults?

The division also has duties pertaining to vulnerable adults, who are defined as persons who are 18 years or older and have a substantial functional or mental impairment. The Adult Protective Services (APS) section investigates reports of vulnerable adult abuse, neglect, or exploitation, including self-neglect, and intervenes when maltreatment is substantiated.

Why is child support enforcement in the mix?

The federal Child Support Enforcement (CSE) Program was established by Congress originally to reimburse benefits paid by the government's welfare program. As a condition of assistance, ADC recipients must assign their child support payments to the state. In turn, DHHS' office of child support enforcement applies its resources to guaranteeing that court-ordered child support gets paid. Office services include locating parents; establishing paternity; establishing and modifying a child or medical support order; and enforcing child, spousal, and medical support orders. Today, child support enforcement is seen as an important economic assistance program for families.

The Division of Medicaid & Long-Term Care

What are the statutory responsibilities of the Division of Medicaid & Long-Term Care?

The division administers (1) the medical assistance program known as Medicaid; (2) the Children's Health Insurance Plan (CHIP); (3) aging services, and (4) non-institutional home and community-based services for individuals qualified for Medicaid waivers: the aged, adults and children with disabilities, and infants and toddlers with special needs.

How is the division structured?

The division is divided into four sections: Claims and Program Integrity, Initiatives and Eligibility, Programs, and the State Unit on Aging.

The Initiatives and Eligibility section includes Medicaid Information Technology Initiatives, Eligibility Policy, Eligibility Business Operations and Support, and Eligibility Field Operations. The Programs section includes Health Services Policy and Managed Care and Home and Community-Based Services.

What is the difference between Medicare and Medicaid?

Confusion over the two programs is common. Both are basically government health plans.

Medicare is administered by the federal government and funded through congressional appropriation, a federal payroll tax, and recipient premiums. Individuals must be 65 or older or disabled to qualify for Medicare, but there is no income or means test for eligibility. However, higher income individuals pay higher premiums for medical services (Part B) and prescription drug coverage (Part D).

Medicaid, on the other hand, is a federal-state partnership providing health care services to eligible elderly and disabled individuals and eligible low-income pregnant women, children, and parents. The costs are shared, with the federal portion based on a formula that compares per capita state income with the national average.

Generally, lower income states have a higher portion

Division Fast Facts

Statutory authority:
Neb. Rev. Stat. sec. 81-3116(4)

Employees: 593

Budget: \$2,171,316,077

of their Medicaid costs paid by the federal government. But, in no case, does a state pay more than 50 percent of Medicaid costs. The percent of Medicaid paid by the federal government is called the Federal Matching Assistance Percentage (FMAP); Nebraska's FMAP in fiscal year 2014-15 was 53.3% for Medicaid and 67.3% for the Children's Health Insurance Program.

What is the State Plan?

The State Plan is a public document that details Nebraska's Medicaid program. The plan must be approved by the federal Centers for Medicare and Medicaid Services (CMS) in order for the state to get its share of federal matching funds. CMS must also approve any proposed changes to Nebraska's State Plan. Such changes are called State Plan Amendments.

What are Medicaid waivers?

Waivers allow states to innovate outside of Medicaid's traditional rules. Medicaid has evolved substantially since 1965, when it was created to serve low-income families receiving cash welfare assistance, but its rules and bias for institutional care sometimes stands in the way of how states want to design their programs. Waivers need the approval of CMS.

How many Medicaid waivers are currently authorized in Nebraska?

Six. The Division of Medicaid and Long-Term Care administers three of these waivers. (The remaining three



waivers pertain to developmental disability services and are discussed in the section on the Division of Developmental Disabilities.) The waivers are used to provide (1) home and community-based services for the elderly and for disabled adults and children; (2) assisted living services for adults with traumatic brain injury; and (3) managed care behavioral health services.

Who is eligible for Medicaid?

First and foremost, Medicaid is a health insurance program for the poor. So recipients must meet income eligibility criteria. But eligibility is also based on category.

The broad categories of eligible individuals are: children up to age 19; pregnant women; aged; blind, and disabled; and parents or caretaker relatives with dependent children. Additionally, the federal Affordable Care Act created a new eligibility category of former foster care children for individuals up to age 26 who age out of foster care while under the care of the state or a Native American tribe. Nebraska implemented this category beginning January 1, 2014.

A common misperception about Medicaid eligibility is that if children qualify for the coverage, so do their parents. But that is not always the case because children qualify for Medicaid at higher income levels than do parents and caretaker relatives. (A complete list of

Medicaid qualifying income levels can be found in the Nebraska Administrative Code, 477-000-012.)

Since Medicaid is an entitlement for those who are eligible, there are no waiting lists nor enrollment freezes for beneficiaries.

What is the Children’s Health Insurance Program?

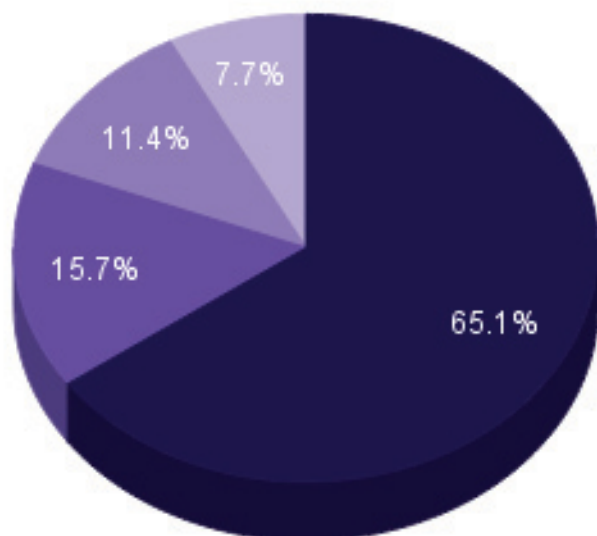
The Children’s Health Insurance Program in Nebraska is an expansion of Medicaid to children who do not qualify for Medicaid and lack other health insurance. CHIP insures children under age 19 in families with incomes above those allowed by Medicaid and up to 213 percent of the federal poverty level. The benefit package for children insured under CHIP is the same as for children in Medicaid, however the federal government picks up a larger share of the tab.

Additionally, under the provisions of Laws 2012, LB 599, Nebraska created a separate CHIP program to provide coverage to the unborn children of women who are not otherwise eligible for Medicaid, have no creditable insurance, and meet financial requirements.

What services does Medicaid cover?

The federal government requires states cover certain mandatory services, such as those provided by a

Nebraska Medicaid and CHIP average monthly eligible persons by category - Fiscal Year 2014

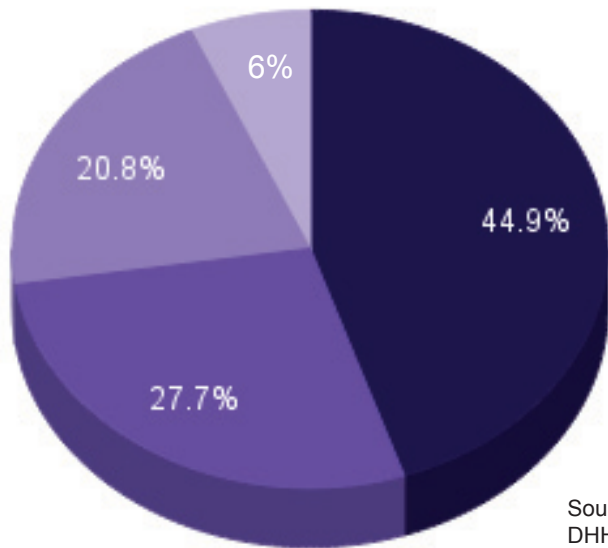


- Children - 153,413
- Blind & Disabled - 37,012
- ADC Adults - 26,855
- Aged - 18,217

Source: DHHS, 2014

Medicaid & CHIP spending by eligibility category - FY 2014

- Blind & Disabled - \$822 million
- Children - \$507 million
- Aged - \$381 million
- ADC Adults - \$120 million



Source: DHHS, 2014

physician or in a hospital. States can also choose to cover additional, optional services. Optional services also receive federal matching funds. Optional services include such things as prescription drugs, physical and occupational therapy, and hospice. All services, except certain screening services, must be deemed medically necessary to qualify for Medicaid reimbursement.

Because Medicaid is a safety net provider, it covers items the privately insured population does not normally think of as being offered in a health insurance policy, such as transportation to medical care, case management, and personal care attendants.

How many Nebraskans have Medicaid coverage?

On a monthly average, 240,639 persons have Medicaid coverage.

Where does long-term care fit it?

Nationally, Medicaid is the largest payer of long-term care. In 2013, Nebraska's Medicaid program spent \$325 million on nursing facilities. There is a common misperception that Medicare—the health insurance for persons 65 and older—pays for nursing home care, but that is only true for short-term stays immediately following a hospitalization. For long-term, ongoing residential care, Medicaid is the program that pays for services for the poor elderly and disabled and for higher income individuals when they have exhausted their savings. Medicaid waivers can also be used to pay for alternatives to nursing home care, such as supports that help individuals stay in their homes or for assisted living.

What is the role of the State Unit on Aging?

The federal Older Americans Act of 1965 requires every state to have a state unit on aging (it can be called something different) and to develop a state plan on aging in order to receive federal funding under the act. The State Unit on Aging within the division serves that function. (Aging services became part of the Health and Human Services System with the enactment of Laws 1996, LB 1044.)

The unit distributes federal and state funds to eight regional area agencies on aging. Area agencies on aging offices are located in Beatrice, Hastings, Kearney, Lincoln, Norfolk, North Platte, Omaha, and Scottsbluff.

State funding, distributed through the unit to the area agencies on aging, is allocated via the Community Aging Services Act, Neb. Rev. Stat. secs. 81-2201 to 81-2228. Services are intended to help older Nebraskans stay in their homes and include such things as housekeeping, transportation, meals, caregiver services, and health clinics.

The unit also administers the state-funded Nebraska Care Management Program to provide assessment and care planning services to help seniors live as independently as possible. Individuals with incomes up to 300 percent of the federal poverty limit are eligible for services based on a sliding scale; individuals at higher incomes must pay the full cost of services.



The Division of Public Health

Just what is “public health”?

Public health encompasses many activities and is defined as an organized process that protects and promotes physical and mental health and prevents disease, injury, disability, and premature death.

Public health services are population-based services focused on improving the health status of the entire population as opposed to the treatment of individuals.

What is the statutory responsibility of the Division of Public Health?

Of the six divisions, Public Health is the smallest in terms of number of employees, but it encompasses perhaps the greatest diversity in terms of duties. Statutorily, the division administers or has duties pertaining to the licensure and regulation of health care professions, facilities, and services, as well as child care facilities. The division also assures the safety of drinking water, trains emergency medical service personnel, conducts HIV testing, maintains vital records, and investigates disease outbreaks.

The division administers community health programs such as Tobacco Free Nebraska and the Women, Infants and Children supplemental food program; assists in the development of rural health policy; and maintains surveillance disease or condition registries.

How is the division structured?

The division’s programs are divided into two sections: (1) Health Licensure and Health Data; and (2) Community and Environmental Health.

Within the Health Licensure and Health Data section are

Division Fast Facts

Statutory authority:
Neb. Rev. Stat. secs. 81-1313 and 81- 3116(5)

Employees: 454

Budget: \$168,419,358

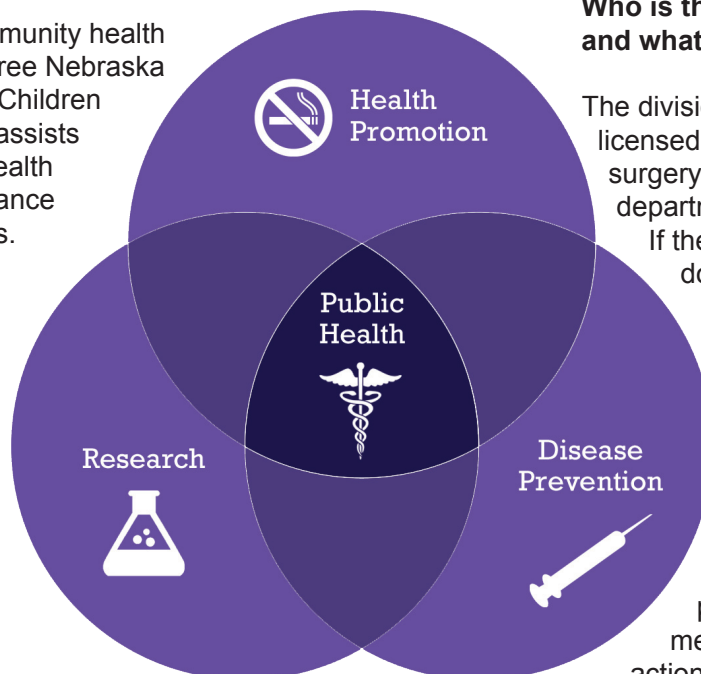
the offices of Vital Records, Epidemiology and Informatics, Investigations, Licensure, and Public Health Preparedness and Emergency Response.

The Community and Environmental Health section contains the offices of Community and Rural Health Planning, Environmental Health, Health Promotion, and Lifespan Health Services.

Who is the chief medical officer and what are his or her duties?

The division director, if he or she is licensed to practice medicine and surgery in Nebraska, serves as the department’s chief medical officer. If the division director is not a doctor, Nebraska law requires the Governor to appoint a chief medical officer.

The chief medical officer is the final decision maker in contested cases involving the licensure of health care facilities and the credentialing of health practitioners. The chief medical officer also enforces actions for licensees under the



Did you know?

- After three consecutive years of declining birth rates, the birth rate went up in the state in 2012, with 25,939 live births recorded that year. Most of those babies were born to women in their 20s.
- In 2013, newborn blood-spot screening for metabolic and inherited disorders caught conditions in 57 babies in time to prevent problems associated with those conditions. Although these disorders are rare, data collected over five years show that they affect one in every 529 babies born in Nebraska.

Nebraska Nursing Home Act, including reporting Medicaid violations, and serves as the final arbiter in contested cases under the Medication Aide Act.

Where does the State Board of Health fit in?

The State Board of Health is primarily composed of health care practitioners, but also has two public members, all of whom are appointed by the Governor and confirmed by the Legislature. Chief among the board's duties are appointing members to the 24 health professions licensing boards. The board also reviews initial credentialing and scope of practice changes prior to legislative action in a process that has come to be known as the 407 Process Credentialing Review.

The board advises the division in five statutorily enumerated areas: (1) rules and regulations for governing the division; (2) policies of the division as those policies relate to support provided to the board; (3) policies of the division concerning the professions and occupations licensed and regulated by the division; (4) communication and cooperation among the professional boards; and (5) plans to organize the division.

How does the “407 process” work and why the funny name?

The 407 Process Credentialing Review is named for Laws 1985, LB 407, which enacted the Nebraska Regulation of Health Professions Act (Neb. Rev. Stat. secs. 71-6201 to 71-6229). The review lends technical vetting and scientific analysis to the process of regulating how health care is practiced.

The 407 process begins with an application submitted to the Director of Public Health, initiating separate reviews by (1) an ad hoc technical review committee appointed by the director; (2) the State Board of Health; and (3) the director. Each creates its own independent report with recommendations to be submitted to the Legislature. The reports are only advisory. Final authority rests with the Legislature.

The process was significantly refined with the passage of Laws 2012, LB 834, which was the result of several years' study into how to improve the credentialing review process. Among other things, LB 834 changed review criteria for scope of practice changes to eliminate a standard that critics said invited speculation, gave the technical review committee more time for its study, and expanded the range of individuals and groups subject to the 407 process beyond the traditional health-care field to include occupations such as funeral directors, veterinarians, and nail technicians.

What is the role of the Division of Public Health vis-à-vis local health departments?

Local health departments work collaboratively with the state on many public health issues.

In particular, the Community Health Development section within the division provides technical assistance to local public health departments and monitors funds distributed to them under the Nebraska Health Care Funding Act. The funds available to local health departments under the act primarily come from Nebraska's share of the tobacco settlement and are to be used for implementing essential services and core functions of public health. Money under the act was also used to develop health departments in areas lacking them so that now no Nebraska county is without a local health department.



The Division of Veterans' Homes

What is the function of the Division of Veterans' Homes?

The division is responsible for the management and administration of the state's veterans' homes and the care of their residents.

How many veterans' homes are there in Nebraska?

There are four: the Eastern Nebraska Veterans' Home in Bellevue, the Norfolk Veterans' Home, the Grand Island Veterans' Home, and the Western Nebraska Veterans' Home in Scottsbluff. Each home is overseen by a licensed nursing home administrator.

The state has authorized construction of a new veterans' home in Kearney to replace the facility in Grand Island, which is outdated and does not meet current building codes nor U.S. Department of Veterans Affairs guidelines. The new home will be named the Central Nebraska Veterans' Home.

What is the building status of the new home?

The Legislature appropriated \$47 million in 2013 as the federally required state share of construction costs. (The federal government splits the construction costs with the states, putting up 65 percent of the costs to each state's 35 percent.) Nebraska received notice in December 2014 that it had been awarded the federal share of money from the U.S. Department of Veterans Affairs.

Who decides where to locate the homes?

Federal rules say it is a state decision.

In Nebraska, the Governor makes the decision. Regarding the process to replace the Grand Island home, after additional cities came forward with an interest in having the veterans' home built in their cities, a site selection committee was created to review the proposals and make a recommendation. There are no state statutes governing the process.

Division Fast Facts

Statutory authority:

Neb. Rev. Stat. secs. 80-314 and 81-3116(6)

Employees: 738

Budget: \$57,433,437

Who can live in a Nebraska veterans' home?

There are three categories of eligibility: Veterans, obviously, but also their spouses, widows, or widowers; and Gold Star mothers and fathers.

Veterans must have served on active duty and left service with an honorable discharge or a general discharge under honorable conditions. Further, veterans must be (1) bona fide Nebraska residents for at least two years; (2) disabled by reason of service, old age, or otherwise to an extent they are unable to earn a livelihood; and (3) wholly or partially dependent upon public support because their income is low or the type of care needed is available only at a state institution.

A qualifying spouse must be at least 50 years old and married to the veteran for at least two years. Surviving spouses and parents must be at least 50 years old, Nebraska residents, and meet the same income and disability guidelines as the deceased relative veteran.

Who decides eligibility?

The Veterans' Homes Board, a separate, independent entity, prescribes rules of membership in the Nebraska veterans' homes, consistent with state statute. The board reviews all applications and makes all final determinations regarding admission or continued admission to a veterans' home. (Residents must



Did you know?

- The Legislature authorized the state's first home for aged war veterans in 1887.
- The director of the Division of Veterans' Homes also serves as director of the Department of Veterans' Affairs, a separate but related agency.



continue to meet eligibility criteria to maintain residence.) The board can subpoena witnesses and take testimony under oath.

The board is comprised of the Director of Veterans' Affairs and two members selected by each of the statutorily recognized veterans' organizations. (There are seven named veterans' organizations in state statute, but the Director of Veterans' Affairs can recognize additional organizations.)

How does a veteran or qualifying relative apply for admission?

Application for admission is first made to either a county veterans' service officer, one of the recognized veterans' organizations, or directly to one of the veterans' homes. Wherever the initial application is made, that person coordinates the required financial and medical information, provides an opinion on the validity of the information, if necessary, and forwards the material to

the board, which holds final authority for admission.

What services do veterans' homes offer?

Veterans' homes provide a variety of medical, nursing, and rehabilitative services, tailored to residents' needs. This includes assisted living care, for individuals who do not need daily nursing supervision, and skilled nursing care for high needs individuals, including Alzheimer's/dementia patients.

Are the homes the same size?

No. The Grand Island Veterans' Home, with a listed capacity of 266, is the largest. The Norfolk Veterans' Home has a capacity of 151; the Eastern Nebraska Veterans' Home in Bellevue has a capacity of 117; and the Western Nebraska Veterans' Home in Scottsbluff has a capacity of 103. The various veterans' homes also have unique features and amenities depending on their location.



The Division of Developmental Disabilities

What are the statutory responsibilities of the Division of Developmental Disabilities?

The division implements the Developmental Disabilities Services Act, Neb. Rev. Stat. secs. 83-1202 to 83-1226.

In practical terms this means the division administers publicly funded community-based developmental disability services and operates the Beatrice State Developmental Center (BSDC), a 24-hour residential intermediate care facility for persons with developmental disabilities, and Bridges. Bridges is a state-operated, community-based program for people with developmental disabilities whose behaviors pose a significant risk to themselves or others. Located in Hastings, the three residential-style homes are licensed as a Center for Developmental Disabilities for a total of 12 individuals. The individuals served through Bridges work and volunteer in the community.

The division certifies and contracts with 35 community-based service providers who together operate 87 certified programs statewide. The division also develops and implements a comprehensive and integrated statewide plan for providing developmental disability services, maintains a statewide registry of persons eligible for services, and administers three Home and Community-Based Medicaid waivers, which help to pay for services.

What role do Medicaid waivers play in developmental disability services?

Generally speaking, Medicaid waivers allow states to deliver services and test programs outside of the general rules for participation in the Medicaid program by providing services not traditionally thought of as “medical.” Traditional Medicaid has a bias for delivering care in institutional settings, so waivers allow Nebraska to provide services for eligible participants in home or other community-based settings.

The Division of Developmental Disabilities administers three Medicaid waivers—one serves children up to age 21 and the other two serve adults. The waivers can be used to pay for residential, vocational, and

Division Fast Facts

Statutory authority:
Neb. Rev. Stat. sec. 81-3113(3)

Employees: 878

Budget: \$210,698,610

other habilitation supports that allow individuals with developmental disabilities to live and work as independently as possible in the community. The division cannot fund services for children and youth that are available through the educational system, so the children’s waiver provides residential services and day services in the summer only.

What services does the division fund?

The division offers three broad categories of services:

- **Service coordination.** The Developmental Disabilities Services Act requires that service coordination be provided, directly or by contract, to every Nebraskan found eligible for developmental disability services. The division employs about 208 service coordinators and 24 community coordinator specialists. Service coordinators help participants transition from school-based services to adult services and access other benefits for which they may qualify.
- **Specialized services.** Specialized services are a specific set of services designed to meet the individual’s needs as detailed in their individualized program plans. Specialized services are habilitative in nature and are provided by certified community-based agencies. The agencies are approved and regulated by the division. These agencies are responsible for all administrative duties related to staff and oversight of services. The majority of services provided to individuals with developmental disabilities are delivered through specialized service providers.

- **Non-specialized services.** Non-specialized services are flexible services and supports provided by independent community members or agencies. Non-specialized services are self-directed by the client or his or her responsible party, meaning they are responsible for hiring, scheduling, supervising, and other administrative duties pertaining to their non-specialized service providers.

What types of services fall under the category of specialized services?

Specialized services include day/vocational services, residential services, and respite. Day/vocational services are services designed to assist individuals to become employed and range from supporting persons in a job in the community to teaching job skills. Residential services can be provided in the person's home or in supervised settings in the community. Respite services are intended to provide unpaid caretakers occasional breaks.

And, non-specialized services?

This category runs the gamut, from hiring assistance with hygiene and homemaking to job skill training and employment supports. Specialized and non-specialized services overlap, so that the chief difference between them is that non-specialized services do not have formal habilitative programs.

Who qualifies for services?

An individual must have a diagnosis of a development disability to qualify for services. Any Nebraska resident who has a developmental disability is potentially eligible. Developmental disability is defined in Neb. Rev. Stat. sec. 83-1205.

How are services paid for?

The Legislature makes annual appropriations for developmental disability services. Additionally, Nebraska law requires Nebraska residents who are eligible for funding under the Developmental Disabilities Services Act to apply for and accept any Medicaid or other benefits for which they qualify to the maximum extent possible so that federal matching dollars can be utilized.

Did you know?

- In 1966, before the development of community-based services in Nebraska, the population living at the Beatrice State Development Center peaked at 2,236 residents. The population in 2014 was 124.

- “States are required to provide community-based treatment for persons with mental disabilities when the State’s treatment professionals determine that such placement is appropriate, the affected persons do not oppose such treatment, and the placement can be reasonably accommodated, taking into account the resources available to the State and the needs of others with mental disabilities.”

-- U.S. Supreme Court in its seminal 1999 decision, *Olmstead v. L.C.*

What is the process for getting services?

Application is made to DHHS. Applicants are sent information describing the process and providing a list of needed documentation. The documentation includes a diagnosis by a licensed psychologist or physician.

Applicants have 90 days to return the application and requested accompanying documentation. DHHS has up to 30 days to make its decision and applicants are notified by mail. There is an appeal process for persons who are denied service eligibility.

Once someone is determined eligible for services, what happens next?

Successful applicants are contacted by a Service Coordinator to discuss the individual's needs and requested services based upon available funds. The individual or family tells the division when services will



be needed. That could be immediately or a date in the distant future. For planning and other purposes, the division encourages early determinations. The eligible person's name and date of need for services is then placed on the division's registry.

Service coordination services are immediately available to all eligible persons. For individuals who are not Medicaid eligible or who are under the age of 19, an "Ability to Pay" is assessed. State statute requires that individuals contribute toward the cost of services if they are financially able. Day services are available to eligible persons upon turning age 21, if they have graduated from a Nebraska high school. Residential services are not usually available immediately, even if the individual has requested them and is on the registry. Individuals who need residential services and are at or past their date of need for services are then put on a waiting list for those services. Individuals whose situation poses a risk to health or life are granted priority status and given immediate services to address their emergency.

Why does Nebraska have a waiting list and how many people are on it?

Developmental disability services are provided to the extent legislative appropriations and federal funding are available to pay for them. The intent to fully fund services for all Nebraska residents needing services is stated in the Developmental Disabilities Services Act, specifically, Neb. Rev. Stat. sec. 83-1216.

As of November 2014, there were 1,700 individuals on the waiting list for services who were past their date of need for services.

Funding for individuals on the waiting list past their date of need is an especially frustrating situation for state senators. Since 2009, the Legislature has appropriated an additional \$22.2 million for services for persons on the waiting list.

How many Nebraskans receive community-based developmental disability services?

Approximately 4,900 persons receive community-based developmental disability services. Some of these individuals are also on the waiting list for other services. For example, they might be receiving vocational training through the day service adult waiver, but are on the

waiting list to receive residential services offered through the adult comprehensive waiver.

What role does BSDC play?



BSDC has served persons with intellectual and/or developmental disabilities and related conditions since 1885. Today, BSDC is comprised of five separately licensed facilities serving residents in smaller, homelike "cottages" on the BSDC campus. BSDC and the Bridges program in Hastings are the only programs operated by the division that provide direct services to individuals.

Problems at BSDC that first surfaced in 2001, culminating in the temporary loss of Medicaid certification and in a summary agreement with the federal Department of Justice, led to the creation in 2008 of the Developmental Disabilities Special Legislative Committee via LR 283. The division implemented changes, among them the separate licensure and new hiring and training procedures for staff, to address federal and state concerns. The final living unit at BSDC received federal recognition and funding on June 1, 2012.

The separate facilities comprising BSDC are licensed as intermediate care facilities for persons with developmental disabilities (ICFs/DD), a category of facility eligible for Medicaid reimbursement.

As a practical matter, the level of care required for individuals to qualify for BSDC services or for services provided through a home and community-based waiver is the same. However, under federal Medicaid rules, states cannot limit access to ICFs nor make them subject to waiting lists.

