HANSEN: Geez, I didn't even have to tell people to be quiet. This is kind of nice. Good afternoon and welcome to Health and Human Services Committee. My name is Senator Ben Hansen. I represent the 16th Legislative District in Washington, Burt, Cuming, and parts of Stanton Counties, and I serve as Chair of the Health and Human Services Committee. I'd like to invite the members of the committee to introduce themselves, starting on my right, with Senator Ballard.

BALLARD: Beau Ballard, District 21 in northwest Lincoln and northern Lancaster County.

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

CAVANAUGH: Hello. Machaela Cavanaugh, District 6, west central Omaha, Douglas County.

RIEPE: Merv Riepe, District 12, which is Omaha metro.

HANSEN: Also assisting, assisting the committee is our legal counsel, Benson Wallace, our committee clerk, Christina Campbell. And our committee pages for today are Maggie and Molly. A few notes about our policy and procedures. Please silence or turn off your cell phones. We'll be hearing 5 bills, and we'll be taking them in the order listed on the agenda outside of the room. Before we hear any of the bills, we actually have 2 confirmation hearings today and-- which I will mention here, in a little bit. On each of the tables near the doors to the hearing room, you'll find green testifier sheets. If you're planning to testify today, please fill one out and hand it to Christina when you come up to testify. This will help us keep an accurate record of the hearing. If you are not testifying at the microphone but want to go on record as having a position on a bill being heard today, there are yellow sign-in sheets at each entrance, where you, where you may leave your name and other pertinent information. Also, I would note if you are not testifying but have an online position comment to submit, the Legislature's policy is that all comments for the record must be received by the committee by 8 a.m. the day of the hearing. Any handouts submitted by testifiers will also be included as part of the record as exhibits. We would ask if you do have any handouts that you please bring 10 copies and give them to the page. We use a light system for testifying. Each testifier will have 3-5 minutes to testify, depending on the number of testifiers per bill. When you begin, the light will be green. When the light turns yellow, that

means you have 1 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. When you come up to testify, please begin by stating your name clearly into the microphone and spelling both your first and last name. 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. On a side-- on a side note, the reading of testimony that is not your own is not allowed unless previously approved. We have a strict "no prop" policy in this committee, as well. So with that, like I mentioned before, we will actually start with our gubernatorial appointments and we will begin by hearing Dr. Alyssa Bish from the Division of Children and Family Services. I know you've been waiting all day for this, so welcome.

ALYSSA BISH: I have. Thanks for having me.

HANSEN: You may begin whenever you like.

ALYSSA BISH: All right. Good afternoon, Chairman Hansen and the members of the Health and Human Services Committee. My name is Alyssa Bish, A-l-y-s-s-a B-i-s-h. I have been appointed by Governor Pillen as director of the Division of Children and Family Services at the Nebraska Department of Health and Human Services. I am here today to begin the confirmation process. I am honored to come back to my home state of Nebraska and join DHHS. Over the last few weeks, I have been welcomed by a team of talented, compassionate, and hard working professionals. I am humbled to be here today to share my experiences and the journey that brought me back to Nebraska. I grew up on our family farm outside of Aurora and graduated from Aurora High School. For my undergraduate degree, I attended Wayne State College before heading to Missouri to pursue post-graduate education. For the last 13 years, I have volunteered at a Royal Family Kids Camp in Grand Island as a team leader and counselor, coaching over 100 team members as they help foster children build resiliency, self-esteem, and hope through a week long camp experience. I remain connected to many of the children and youth I served at the camp, and continue to invest in those relationships today. This experience fueled my passion for protecting children and led me to pursue a career in human services. I hold a doctorate in communication with a dissertation focused on family communication and resilience for children who are in foster care. My professional and volunteer experience centers around children,

families and supporting a strong workforce. From my first role in foster care and adoption research to my most recent position, appointed by Governor Mike Parson to be the Director of Personnel for the State of Missouri, I have been focused on customer impact and program efficiency. During my time directing state personnel, I supported a 50,000 team member enterprise serving 6.2 million Missourians. I prioritized organizational health and talent transformation for our workforce to recruit, retain, and reward top talent. I understand firsthand the importance of a strong workforce, and will ensure that remains my top priority as the Director of Children and Family Services. I firmly believe that children and families thrive when we value our most important resource, the people, the ones doing the work. I am committed to ensuring our staff are well-supported and have what they need to provide critical services to families. I bring a depth of experience to children and family services, having worked in foster care and adoption services, strategy and performance, leadership development, and operational excellence. During my time with the Missouri Department of Social Services, I oversaw the Family First Prevention Services Act implementation and executed Missouri's first statewide program focused on older youth and transition planning, which increased in the number of youth served three-fold. My career thus far has been marked by action and innovation, 2 qualities that will help Nebraska enhance the way we serve families. Together with the team at DHHS, I will prioritize prevention and safety, ensuring families have the right resources at the right time to keep children and vulnerable adults safely in their homes. When out of home placement is necessary, we will prioritize kinship placements and work to engage families in a clear plan of reunification. We will do this by partnering with our front-line case managers to evaluate our policies and practices so they have more time to provide support and services. We are only as strong as our workforce, which means Nebraska families depend on us to recruit, retain and support team members, so they can be there for families when they need them the most. Our youth and rehabilitation and treatment centers will focus on their most important task, of rehabilitating youth through treatment and support services. Youth and community safety will be at the forefront, as we work to engage youth in positive peer, staff, and community relationships. We will continue improving educational outcomes for youth, increasing school attendance, and the percentage of credits earned to ensure youth are set up for success. When youth leave the YRTCs, we will partner with their family, probation, and community services to support a successful transition. Moving back to Nebraska was an easy yes for me

and my family. This is where my roots are and where my husband and I want to raise our son. Surrounded by the support of our extended family, friends, colleagues across the state, and strong team at DHHS, I am committed to serving Nebraska families with excellence. I'm grateful to Governor Pillen and DHHS CEO Steve Corsi for their confidence and support. I am excited to serve Nebraska as a part of this administration. I appreciate the opportunity to come before you and the committee today, and I look forward to working with each and every one of you. Thank you for your time, and I'd be happy to answer any and all of your questions.

HANSEN: All right. Thank you. You're very happy about that, too. That's great.

ALYSSA BISH: Yeah.

HANSEN: I'm excited now. All right. Is there anybody from the committee that wishes to say anything? Yes.

RIEPE: Thank you, Chairman.

HANSEN: Senator Riepe.

RIEPE: Thank you and welcome. We've met before, but thank you for being here.

ALYSSA BISH: Thank you.

RIEPE: I guess the first thing I would ask is, do you really have a black belt?

ALYSSA BISH: I do.

RIEPE: OK. Well, I will show you great respect. My question, I guess, gets to be is how do you keep staff from imposing their values, in terms of the effort to try to make sure that we get children, where we can, back into their homes? But oftentimes, the caseworker has certain values, as well. And I think it's difficult to overcome maybe our own perception of how family should be or how life should be. Do you-- have you had that experience and do you have some thoughts about how do you coach your staff to, to be able to maybe be more accepting or the parameters are a little wider?

ALYSSA BISH: It's a really insightful question. The great thing about DHHS is it really takes a team. So when we do have that front-line

worker that is out there assessing families and meeting with families, really, to understand what's going on in the home, they also have a supervisor that also helps with the case management, somebody who has been in the profession for quite some time. They've seen a lot. And so there's checks and balances with what do you think is the right next step and then, how do we incorporate that team? And then in addition to that, each child that we see has like a family support team. And so there's lots of voices that are speaking into what is best for that family. We really trust our courts, medical providers, community experts, people that know that child. And so, I do believe in the power of relationships and that team working together. And the one thing I will say about our staff, is even when they have maybe their own personal values, they're all very, very committed to the mission, which is keeping kids safe. And so, I have strong confidence that with the team, they're making the right decisions for kids.

RIEPE: OK. Can I have one more question? Thank you, Chairman. I like to ask this of people that are going to be in leadership roles. Have you ever fired someone?

ALYSSA BISH: Sadly or maybe as a blessing, yes.

RIEPE: OK. Thank you, Mr. Chairman. Thank you for-- again, for being here.

ALYSSA BISH: My pleasure.

HANSEN: Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thanks for being here. It's nice to see you again. Can you remind me of when you were first appointed to this position?

ALYSSA BISH: December 28th was my first day.

M. CAVANAUGH: OK.

ALYSSA BISH: So I'm what, 30-some days on the job?

M. CAVANAUGH: Yeah. Wow.

ALYSSA BISH: That's how much knowledge I got.

M. CAVANAUGH: Right between the holidays, too. So you said that you supported a team of-- a 50,000 member team. And how large is the team that you're supporting now, that you're charged with?

ALYSSA BISH: At CFS?

M. CAVANAUGH: Yeah.

ALYSSA BISH: About 2,300, I believe.

M. CAVANAUGH: OK. And are you expecting-- how many open positions do you have?

ALYSSA BISH: Also a great question. We have 369 vacant positions.

M. CAVANAUGH: Are they similar positions, or are they across all various levels, or--

ALYSSA BISH: I would guess across various levels, but I could get you more information.

M. CAVANAUGH: OK. And what are the plans for recruiting to fill those positions?

ALYSSA BISH: So I think in all things, recruitment is really important because we know when we have more staff, we can serve families better. And so we're really taking a strong look at recruiting the right applicant. We don't want just warm bodies filling the seat, but people that really care about this work. So I've been meeting with the team about where our biggest needs are, until those positions are filled, how we can look at the work differently to support each other, and so, really just focus on getting our mission out there and recruiting the right talent for the right position.

M. CAVANAUGH: What would you say is your largest staffing need right now?

ALYSSA BISH: It's a good question. I'm going to say the front line, just because then we have a full-- which we're, we're close. We have a pretty good staffing of a lot of areas. But when we-- our front line is fully vetted, we have more people to help do the work, which gives us more time with families.

M. CAVANAUGH: OK. And do you have the current statutorily required ratios happening in child welfare?

ALYSSA BISH: Yes.

M. CAVANAUGH: You do?

ALYSSA BISH: Yes.

M. CAVANAUGH: Holy smokes.

ALYSSA BISH: I know. I'm ahead of the game.

M. CAVANAUGH: That's like, amazing. So, so that must not be a huge problem then, for re-- recruitment and retention, because I don't know that we've ever been in compliance over the last decade, of child welfare's ratios. So it's 17 to 1?

ALYSSA BISH: For ongoing cases, correct. For investigations, it's 10 to 12. For both, it's 14.

M. CAVANAUGH: OK. And so, when you say-- OK. Ongoing is 17.

ALYSSA BISH: 16, 17, yes.

M. CAVANAUGH: Investigations is 10 to 12. And what was the 14?

ALYSSA BISH: If they do both, both investigations and ongoing, that's 14.

M. CAVANAUGH: OK. Great. So you must-- you don't have any openings then, for the workforce, for child welfare?

ALYSSA BISH: I might have misunderstood your question. We do still have vacancies.

M. CAVANAUGH: OK.

ALYSSA BISH: For sure. The one that I think is-- that should be prioritized is that front line, which is doing those ratios that I just mentioned.

M. CAVANAUGH: OK. Yeah. Any information you can get us on staffing and, and those ratios would be extremely helpful. Thank you.

ALYSSA BISH: Yeah.

HANSEN: Any other questions in the committee? Senator Walz?

WALZ: Thank you, Chairman Hansen. Hello. How are you?

ALYSSA BISH: Hello. It's good to see you again.

WALZ: Good to see you. So over the past few years, we-- you-- we had a conversation together, with Director Green, which was really, really good conversation. And we talked about the issues that we've had to deal with over the past few years, and just the relationship between the Legislature and Health and Human Services agencies. Can you talk about how you would strengthen or, or what you would do to try to strengthen those relationships? The goal is, obviously, that we work together to make sure that our kids and our families are safe and healthy. That is the ultimate goal, regardless of anything else. Can you talk about how we can work together to make sure that we can accomplish that goal?

ALYSSA BISH: Yeah. Thank you for the question.

WALZ: You bet.

ALYSSA BISH: You stated it perfectly. I would advocate that we're on the same team. I am an ally of this body. And it is your job to help write the laws to protect our kids and families, and it's my job to give expertise on how best we can do that. So I definitely see this as a partnership. One thing that I just believe, personally, is to believe the best intent of others. And so asking good questions and having the relationship to say these are maybe some spaces that we need to grow. But here's also what we're doing and like our plan to move things forward. And then also having space for you to share what you're seeing from your perspective because it takes a village to raise a kid. It takes a village to care about Nebraskans. And all of our perspectives, I think, are really, really important. And so I think starting from a place of trust in relationship is really, really key. And having an open dialogue about what concerns you might see from your seat, and also sharing like this is what we're trying to do, our plans kind of to move forward, and then to trust the process, in some ways, to give us time to meet those objectives, because we truly are on the same team. And I'm committed to that, with all of you.

WALZ: Thank you.

HANSEN: Yep. Senator Cavanaugh.

CAVANAUGH: Sorry. Thank you. So sort of a follow-up on just child welfare, writ large. Before you came to Nebraska or back to Nebraska,

the Attorney General issued an opinion in August of this year-- of last year, stating that it was the authorization of our Inspector General's Office and Ombudsman's Office was unconstitutional. And while that is purely an opinion and we still have laws to the contrary, DHHS and other state agencies have chosen to observe that as law. And as such, we, as a Legislature, have had no access to information and data regarding child welfare in Nebraska, unless the department has given it to us. I have requested such information, again, prior to your time here, and have not received any of it. What can we expect from you in this role, as far as communicating to us any situations that are happening within our YRTCs or any of our child welfare facilities or programs?

ALYSSA BISH: Good question. So you are-- I am committing that like, we are a partner, as I said previously. I know that that has been--

M. CAVANAUGH: And to be fair and I know that this is-- you're, you're at your confirmation hearing. You are actually out of compliance with the law right now, because the law right now says that our Inspector General should be able to show up at any YRTC facility and be admitted. And those are under your purview, are they not? Yes. So you are not in compliance with state statute in-- that is, in effect, you are breaking the law. So go ahead and answer or speak to it however you want.

ALYSSA BISH: Well, on that note--

M. CAVANAUGH: However you would like.

ALYSSA BISH: Right now, the-- we are abiding by the opinion of the AG. And the--

M. CAVANAUGH: And not the law.

ALYSSA BISH: --information that we can give you, we will. And then also, just acknowledging that the information-- we do want to prioritize the protection of our kids, and just the information that is in a lot of the really private information that we share.

M. CAVANAUGH: But you are, you are breaking the law, currently. I just-- for the record, you are breaking the law. In honoring the AG's Opinion, you are breaking the law. So I, I, I hope that you understand that, and that that is part of your role here. Whether it was a part of your role that you wanted or not, it is, in fact, a part of your role. And you are responsible for the fact that your employees

continue to turn away our Inspector Generals, which is in violation of the law.

ALYSSA BISH: Noted.

M. CAVANAUGH: OK. Thank you.

HANSEN: Any other questions? All right. Seeing none, thank you very much.

ALYSSA BISH: Thank you.

HANSEN: We will take any supporters of the appointment of Dr. Bish. In support right now. Anybody wish to testify? Anybody wish to testify in opposition? Anybody wish to testify in a neutral capacity? All right. Seeing none, thank you very much, Dr. Bish. And with that, we'll take the next gubernatorial appointment, and that would be Dr. Steven Corsi, CEO, DHHS. Welcome. Welcome.

STEVE CORSI: Thank you, Mr. Chairman. It's good to be here.

HANSEN: And you can begin whenever you like.

STEVE CORSI: Do I need to wait for the light?

HANSEN: Nope. You don't get a light.

STEVE CORSI: Oh? Oh. OK. Good afternoon, Chairman Hansen and members of the Health and Human Services Committee. My name is Steve Corsi, S-t-e-v-e C-o-r-s-i. I've been appointed by Governor Pillen as the chief executive officer of the Nebraska Department of Health and Human Services, and I'm here today to begin the confirmation process. I'm humbled to have been asked by Governor Jim Pillen to lead the department and appreciate his recognition of how my background and experience may prove beneficial at this point in time. We have work to do to improve services for all of Nebraska. I'm honored to be entrusted with this responsibility, and I'd like to share a bit about my experience. After high school, I enlisted in the U.S. Air Force and spent 9 years on active duty as a jet en-- jet engine mechanic. I commissioned with the National Guard in 2017, and currently serve in what I believe is the best job in the military. Our team works to ensure our men and women are medically ready to be deployed to any spot on the globe. When they return broken, physically or emotionally or both, it is my honor and privilege to help make them whole again, so they can integrate in a healthy way back with their families and

jobs. I hold a doctorate in clinical psychology with a postdoc re-specialization in educational psychology. I've worked in community mental health, forensic mental health, inpatient psychiatric settings, private practice, as a school system crisis responder, a school psychologist, and have experience in drug and mental health courts. In 2011, Wyoming Governor Matt Mead asked me to serve as director of the department of family services. I believe when called to public service, there is only one right answer-- yes. I held that position for over 6 years. I led 28 offices located across Wyoming and served approximately 80,000 citizens per month. The department encompassed child and adult protective services, economic self-sufficiency programs, juvenile justice programs, and juvenile probation. In 2017, I again answered the call to public service, this time in Missouri. Governor Eric Greitens asked me to serve as director of the department of social services. In that role, I led 218 offices located across Missouri and served approximately 1.2 million citizens per month, with approximately 7,600 staff members and a $10.1 billion budget. The Missouri Department encompassed all my previous Wyoming services, with the addition of Medicaid and long-term care. In this capacity, it was my honor to serve the former governor and current governor, Mike Parson, and have worked with legislators of both states on meaningful pieces of legislation promoting the well-being of citizens. This past summer, I was asked by Governor Pillen to serve in the role that brings me before you today. Again, there was one-- only one right answer, yes. I believe in the mission and vision of both Governor Pillen and the Nebraska Department of Health and Human Services. I bring to DHHS experience as a behavioral health provider, behavioral health executive, human service nonprofit CEO, and as a previous leader of 2 statewide health and human services agencies. Moving to the great state of Nebraska several months ago was an easy transition from the 2 states in which I've previously served. My wife and I were excited to buy a home and plant roots here in Lincoln. We're proud parents of 2 grown children that both followed in their parents' footsteps: Our son into the military like my wife and me, and our daughter is a mental health provider. Our priorities at DHHS include ensuring care and safety of children, providing Nebraskans with a behavioral health system that both meets the needs of Nebraska and serves as a model to other states, improving staffing and services at the Lincoln Regional Center, and eliminating the Developmental Disability Registry. We will focus not only on meeting the immediate needs of Nebraskans, but also assisting Nebraskans as they move toward self-sufficiency. We will strengthen Nebraska families, ensuring not only safety but financial self-determination, as well. We will improve

the timeliness and quality of our economic assistance processing with a heightened focus on customer service. Work is currently underway to overhaul our foster care system. In doing so, we will increase kinship placements and improve timely permanency. We must work to address childcare needs in Nebraska. This will require focused efforts to increase the availability of safe, high-quality early childhood education across the state. There are opportunities for meeting these priorities by using both collaboration and the encouragement of unique ideas. The department's leadership, including Directors Tony Green, Charity Menefee, Dr. Alyssa Bish, Interim Director Matt Ahern, and Chief Medical Officer Dr. Timothy Tesmer, will be instrumental in effecting significant and measurable change at the department during the next several years. It is my honor to be asked by Governor Pillen to lead such an outstanding team and effort, as it is my honor to sit before this committee here today. I echo Governor Pillen's statement: the best part of this job is the people of Nebraska. The people we serve, the people I work alongside with at the department, the providers we work with, but in each case it all comes down to the people of Nebraska. Thank you each for your time. I'd be happy to answer any questions.

HANSEN: All right. Thank you. Are there any questions from the committee? Senator Day.

DAY: Thank you, Chairman Hansen. And thank you for being here today. I understand you were with an organization called Epiphany prior to your appointment here--

STEVE CORSI: Yes, ma'am.

DAY: --in Nebraska. Can you just tell me about the organization in general, what your position was there, and what your work looked like, and how that relates to in any way, the position that you're being appointed for now?

STEVE CORSI: Yes, ma'am. So, with Epiphany, I worked for Epiphany from, I think it was January 2 to September 7. My role as an-- at Epiphany was to be an executive leadership consultant-- coach, consultant. My background is turning organizations around. That's one of the strengths that I believe that I have, and it was also to work in business development.

DAY: So what does Epiphany do then, generally? What is their--

STEVE CORSI: Good, good question, Senator. And, and thanks for asking. Epiphany is a consulting firm that basically works with primarily government and nonprofits, nonprofit human service firms, to find efficiencies and improve operations. One of the strengths of Epiph-- of Epiphany associates is that we used to say was to solve impossible problems-- to go where-- find organizations or work with organizations that had problems that they've had difficulty solving through the years and to help them solve those, and, and improve their operational excellence.

DAY: OK. And you said your last day with them was Sept-- September--

STEVE CORSI: September 7.

DAY: Seventh. OK. Thank you.

STEVE CORSI: Yes, Ma'am.

HANSEN: Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you for being here.

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: CEO or Doctor? Which do you prefer?

STEVE CORSI: Steve is fine, ma'am.

M. CAVANAUGH: Well, informal [INAUDIBLE], we'll go with CEO Corsi. You worked for Epiphany until September 7 of 2023?

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: And that is not reflected in your biography or in your accountability and disclosure forms. Is there a reason for that?

STEVE CORSI: Accountability and disclosure?

M. CAVANAUGH: You have to submit an accountability and disclosure of your financials and any--

STEVE CORSI: I believe that was for 2020.

M. CAVANAUGH: 2023. 2023.

STEVE CORSI: Have those been submitted already for 2023?

M. CAVANAUGH: You have one submitted, yes. And it, it is not there, nor is it in your biography on the website, nor is it in your bi-- your personal biography on LinkedIn. And I'm just wondering if there is something that you would like to share with us about why that would be.

STEVE CORSI: Absolutely not. Error and oversight. And with regard to LinkedIn, I've thought for a long time I need to update that. Correct.

M. CAVANAUGH: So. OK. And when were you appointed to this position?

STEVE CORSI: I don't know the date of appointment, but my first day on the job was September 11.

M. CAVANAUGH: OK. And--

STEVE CORSI: So it was 4 days.

M. CAVANAUGH: Prior to your time-- your appointment to this position, was the state engaged in a contract with Epiphany?

STEVE CORSI: To my knowledge, I, I believe they had recently signed that.

M. CAVANAUGH: And do we currently have a contract with Epiphany?

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: And are you working with them?

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: And what does that work look like?

STEVE CORSI: So Epiphany is working with the department on 2 projects currently. One is in the arena of child welfare with Children and Family Services, assisting CFS in some transformational work. And the other will be--

M. CAVANAUGH: Can you-- before you move on, can you explain what transformational work is?

STEVE CORSI: Sure. Sure. One of the things that-- there are a few things that I would point out that have been identified and are currently being worked on. One of those would be trying to look at the numbers of kids who are coming into care and, and figure out ways to

safely reduce-- safely and appropriately, appropriately, reduce the kids coming into care. And then of the kids who are in care, the children and youth, looking at ways to expeditiously-- obviously, safely and appropriately-- excuse me, expeditiously move them toward permanency, whether that permanency would be reunification with their families, which would be the preferred option, obviously, if at all possible or potentially adoption or some other form. That would be-- that would be one. We're also looking at reducing the numbers of assessments for caseworkers to have to do with families when they first begin. So one of the things that we have heard-- and that is not unusual across the country, by the way. However, our focus is here in Nebraska. One of the things that we've heard as a leadership team is that the people on the ground, the caseworkers, are spending about 40% of their time on paperwork. Well, that's certainly not what caseworkers signed up to do. They signed up to work with children and families. That's where their strengths are. That's, that's where we want them to be able to focus. They-- a few months ago or a couple of months ago, I think it was, 2-3 months ago, something like that, we identified that there are-- there were at that time, 8 assessments that they would have to go through in an effort to identify the needs of children and families. Eight assessments is onerous. It's bureaucratic. It's not helpful. One of the things that Epiphany focuses on is the needs of the primary customer, not the, not the needs necessarily, of the internal or the host organization. So we want to ensure we, being the department, want to ensure that we are working in the best interest of kids and families, not engaged in bureaucratic, unnecessary processes. To that end, we're working to reduce the numbers of assessments, if that makes any sense, and to ensure that we have thorough, comprehensive, best practice evidence-based assessments, if at all possible. That's on the children and family services side.

M. CAVANAUGH: You, you had another one. Go, go ahead.

STEVE CORSI: On the-- so we're about to embark in some, in some work on the Medicaid long-term care side. And again, that focus is on ensuring that all Nebraska citizens are well cared for, that the, that the resources are well utilized and that we're operating as optimally as we can. So.

M. CAVANAUGH: What does that mean?

STEVE CORSI: On the long-term care side?

M. CAVANAUGH: Yes.

STEVE CORSI: So we're-- currently, we're looking at-- well, Senator, we haven't really started that work yet. I'd, I'd rather sit back. I'd rather provide that information, forthwith, but not necessarily in the, in the moment.

M. CAVANAUGH: OK. So going back to the child welfare sign-in lists.

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: Anybody needs to jump in? OK. So on the child welfare site, the work that you're doing with the Epiphany on that side, what is their background in child welfare? And what expertise are they bringing to the table, as far as the reduction of children coming into care to begin with?

STEVE CORSI: So, so the CEO of the Epiphany-- by, by the way, going back to your previous question, about if there was a signed contract. You would-- truly, you would have to contact the Epiphany. I assume there was a signed contract at the time that I was appointed. I, I don't know what the date was.

M. CAVANAUGH: Well, my staff just brought in the contract, that there was, in fact, a contract, from June of this year. And it was an emergency contract, which is another problem, because an emergency contract is a no-bid contract. And it is questionable as to why Epiphany required an emergency contract for $10 million, but that circumvents our transparency and procurement process. But that's neither here nor there for now. So, go on.

STEVE CORSI: I appreciate that. So your, your question, Senator, was about what is their expertise in child welfare.

M. CAVANAUGH: Yes.

STEVE CORSI: Or in that arena. I, I couldn't answer that for them. I mean, they can certainly-- they would have--

M. CAVANAUGH: But you've--

STEVE CORSI: --a better answer than I do. No, I'm going to--

M. CAVANAUGH: OK.

STEVE CORSI: I'm going to give you what I know.

M. CAVANAUGH: OK.

STEVE CORSI: I don't know everybody's exact history that, that is on the epiphany team, but I can tell you that Kristen Cox was-- who is the CEO of Epiphany Associates, was the-- in the Utah office of-- in the Utah Governor's Office of Management and Budget. She was the executive director for a number of years. I don't know what those-- that number is. In that regard, they worked with departments across the Utah state government, much like I think they're going to do here. I assume that's true. I-- I've not read the contract. But they worked with--

M. CAVANAUGH: Have you had conversations with Epiphany?

STEVE CORSI: Only about Department of Health and Human Services, not about-- well, I also know that they're working in-- currently working in unemployment and maybe in-- I think they were working with one other agency, but no conversations outside of DHHS. That's none-- really none of my business.

M. CAVANAUGH: OK. So-- but within DHHS, you were saying that Kristen Cox comes from the Utah office?

STEVE CORSI: Correct.

M. CAVANAUGH: And--

STEVE CORSI: The Utah Governor's Office of Management and Budget, where she served as the director for, I think, it was 2 governors. She was also the workforce services--

M. CAVANAUGH: In-- workforce services of child welfare?

STEVE CORSI: --director. No, ma'am. I, I do believe that they worked in child welfare in Utah. I don't know that for a fact.

M. CAVANAUGH: But you are, you are currently working with them in child welfare--

STEVE CORSI: Correct.

M. CAVANAUGH: --in Nebraska.

STEVE CORSI: Correct.

M. CAVANAUGH: And you are not aware of any expertise in child welfare?

STEVE CORSI: That they have specific to child welfare?

M. CAVANAUGH: Yes.

STEVE CORSI: Their expertise, Senator, is in operational excellence and improving operational excellence. So I, I think what they would say, is the industry or arena is really, fairly irrelevant, that there are principles and tenets that are applicable across whatever form of human services you would be working with. Whether those are backlogs or waiting lists or low case worker-- or high caseloads, which we don't currently have, or, or just ensuring that-- I'm sorry. Keep going.

M. CAVANAUGH: Well, I have a lot of questions.

STEVE CORSI: Sure.

M. CAVANAUGH: And so, I want to be mindful of my colleagues here, and take a pause to see.

HANSEN: I'm, I'm going to ask one here, actually, if I could.

M. CAVANAUGH: Yeah, do. Ask-- you, you can-- as Chairman, you can ask as many as you like.

HANSEN: Can I? Thank you.

M. CAVANAUGH: Yeah. You have my permission.

HANSEN: Any-- because I know sometimes this comes up whenever bills come up, whether it's fiscal notes or just in general, do you see any foreseeable hardware or structural improvements that the department would need in the near futures, like IT computers? It seems like that-- seems a-- I don't want to say growing concern, but it's something I kind of hear often, throughout the years, that we need to update this. We need to update that. And of course, usually it isn't-- it's not cheap. And so do you see like pressing need for something like, boy, if only we had better software in this area, or we have better hardware in this area, we could become much more efficient and, and help us make Nebraska better. Do you see anything like that currently, in the department?

STEVE CORSI: So, Chairman, I, I appreciate that question, as well. We have a number of, a number of projects that are in the works. We, we just launched iCERT not too long ago. I think that was in November, which was, which was an improvement in efficiency. Certainly, I could tell you that as I talk with anybody in IT, they would like to improve probably just about every system across not, not just DHHS, but probably throughout state government. You know, we live in an age where, I, I think I read recently that our, that our IT information is now doubling every few weeks rather than every couple of years, something to that effect, and, and especially in the world of AI. I, I don't see any necessary-- imminent necessary IT software or platform replacements that we need to do like immediately. And honestly, I'm fairly pleased with that, since they often come in, in the range of hundreds of millions of dollars. I remember the Medicaid replacement, as I was leaving Missouri. And that system, I believe, was somewhere north of $500 million to replace that. I can't even-- it's hard to even comprehend those kinds of numbers.

HANSEN: They should buy a Powerball ticket.

STEVE CORSI: And then, of course, by the time it gets built, they're often obsolete and it's old technology and you already need to upgrade it--

HANSEN: Yeah.

STEVE CORSI: --since it takes years to put those kinds of systems in place. So I-- yeah, I'm not aware of any imminent need, but we're always looking for opportunities to upgrade and enhance our systems.

HANSEN: OK. [INAUDIBLE] Thank you.

STEVE CORSI: Yes, sir.

HANSEN: Senator, Senator Day.

DAY: I'll go. Thank you, Chairman Hansen. So my question would relate kind of to what we were talking to DR. Bish about in terms of staffing. What is your vision for attempting to resolve some of the issues that the department has with vacancies? And is there any staffing changes or proposals that are currently being proposed or are currently underway?

STEVE CORSI: So, Senator Day, thank you for the question. It's a-- it is a good question. Between my appointment and the time that I

started, obviously, I was paying a bit of attention to the press, and, and I would use LRC as an example here, I suppose, the Lincoln Regional Center. We are constantly looking at staffing. We'll-- we will continue to constantly be looking at staffing, because we're in the business of meeting the needs of people who are less fortunate or often don't have a voice or are disadvantaged in some way. At the Lincoln Regional Center, we, we have worked with the union, listening to them. We have heard concerns from the staff. I've been out there at least a couple of times, maybe, maybe 3. I'm not-- I know at least 2, and I think it's 3-- been out there and walked through and toured and talked with folks. And we've heard a number of concerns around safety based on staffing ratios, both for patients and for staff. And so we're doing a number of things. One of the things that we're doing, and this is just one example that I'm giving you on staffing, but one of the things that we're doing is that we have-- we are in the process currently of adding 110 positions to the LRC staff; 48 of those are nurses. If I recall correctly, I believe that's 32 RNs and 16 LPNs. The other 62 are mental health specialists. So we're doing that in an effort to make sure that we have appropriate numbers of staff for the patient load, and also so that, as you are probably also aware, there tends to be a long waitlist. And our intent is that, as we raise the staffing ratios, that that will assist us with waitlist issues as well, so we can solve kind of multiple problems. In addition to that, which isn't necessarily related to your question, but at LR- LRC, there are also some issues around training that they've-- the staff has indicated-- and the union-- that they would like additional training in a couple of different areas, de-escalation, containment, things like that. And so we have been looking at-- and in fact, are currently researching and, and I believe have identified a few different evidence based or best practice trainings around that type of a setting, so that we can bring that in with the intent of--

DAY: Sure.

STEVE CORSI: --also helping to equip people better, the staff that we do have, equipping them better so that they can not only remain safe, but keep the patient safe as well. And then, and then we're also planning to bring in kind of a uniform requirement, something like a khaki pant and a scrub top or a polo top or some kind of a top, so that we can distinguish the patients from the, from the staff, which was also something that was brought up to us. And it will help us professionalize the staff. So that's one example of what we're doing with staffing. We also have a-- I don't know if her title was actually deputy director, but we have, on our HR team, we have at least one of

our top leadership who is focused-- her other team are purely focused on recruitment and retention. And they-- I don't have the numbers in front of me, but I'd be happy to get those for you.

DAY: OK. That'd be great.

STEVE CORSI: They're doing fantastic-- a fantastic job at, at reducing the numbers of vacancies, by bringing in appropriately qualified people and getting some good hires, some really good hires. I agree with Dr. Bish. I don't think that you just put people in seats.

DAY: Sure. Sure.

STEVE CORSI: I, I think that when you hire, you hire based on a philosophy of identifying the people that you can't live without, and you want them on your team. Yes, ma'am.

DAY: OK. Thank you.

STEVE CORSI: Did I answer your question?

DAY: Yes, I think so.

STEVE CORSI: OK. Yes, ma'am.

HANSEN: Senator Cavanaugh.

M. CAVANAUGH: Thank you. Following up on the staffing question. So when you leave here today--

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: --and we go on with our week, there's not going to be an announcement of massive staffing cuts from DHHS?

STEVE CORSI: Not that I'm aware of.

M. CAVANAUGH: There's not going to-- there's no truth to the 18% of nonunion staff are going to be cut from DHHS this week?

STEVE CORSI: No, ma'am.

M. CAVANAUGH: And so you have a meeting on Friday with staff?

STEVE CORSI: A, a town hall, we do. The first, first of hopefully many.

M. CAVANAUGH: And there will be no announcement of staffing positions being cut?

STEVE CORSI: Not that I'm aware.

M. CAVANAUGH: What-- you're the CEO.

STEVE CORSI: Yeah, I'm saying not-- I'm--

M. CAVANAUGH: So if you're not aware of them, then the answer would be no.

STEVE CORSI: The answer would be no. No, Senator.

M. CAVANAUGH: OK. Thank you. That's very important to know, because as you can imagine, people are concerned about losing their jobs without any notice. So-- and that is clearly something that has come from your department that people are concerned about.

STEVE CORSI: So, Senator, at, at risk of over-answering, I will tell you that one of the-- one of the things that the Governor has charged throughout the state government is reducing the government footprint. To that end, we will be looking at, as we work with Epiphany, as we do our own work internally, we will be looking at identifying areas of-- where we have capacity. In the consulting world, in the theory of constraints world, they call it hidden capacity. As we identify those, we'll be looking at positions to see whether they're needed or not needed. Over time, we will more than likely reduce positions, not at the 18% level. That has never been a number that I have heard, but we will be reducing positions. However, when I have talked with staff, I have said that one of my philosophies is that staff, any kind of position reductions, are best done through, through re-- attrition or retirements, through vacancies, not through occupied positions, if at all possible. Obviously, if there are performance or management issues, that-- that's a different conversation.

M. CAVANAUGH: Of course.

STEVE CORSI: But when you're looking at reductions-- at reductions in numbers, preferably those would be do-- done through attrition in retirement. Yeah.

M. CAVANAUGH: OK. Well, I'm--

STEVE CORSI: And, and by the way, I would also say that, as I pointed out with Senator Day, that we're also looking at areas within the department that need additional staffing. And we used-- we had about 200 vacancies in-- I, I forget which category it was, vacancies over a year, something like that-- vacant positions over a year. And so we repurposed 110 of those for the Lincoln Regional Center. We will continue to make rightsizing adjustments as we move forward.

M. CAVANAUGH: OK. Well, I'm sure people appreciate knowing that they're not at risk of being-- having their position eliminated this week, because that--

STEVE CORSI: No-- nobody is at risk that, that I am aware of, Senator.

M. CAVANAUGH: --that was a clear concern that has been expressed. So, I do have additional questions about the work of Epiphany. So this week-- I lost track of time-- last week, Speaker Arch's priority bill, LB461, came out of the work of this Legislature and a multi-committee effort to look at our procurement process, as a result of the fraudulent contract that the state had entered into with St. Francis Ministries. We were essentially held hostage by St. Francis Ministries for $10 million, or they were going to shut their doors entirely and pull up stakes, and the children of the eastern service area were going to be left without any care whatsoever. So we had to pay the $10 million and find a way to move forward. We have since moved forward, as I'm sure you're aware, but the oversight and transparency of these contracts is of extreme concern, I think, not only for myself, but for this committee and for the Legislature as a whole. To that end, having a no-bid contract with Epiphany designated as an emergency and having the work that you are currently doing with Epiphany done without any transparency is cause for a great deal of concern for myself, personally. And I am curious as to if I were to request records of anything related to Epiphany today, what would I receive from your office, if anything?

STEVE CORSI: Senator, I, I believe you would receive anything that we are legally allowed to provide you.

M. CAVANAUGH: You are not currently keeping things in draft form so that we cannot request them?

STEVE CORSI: Senator, if, if that is occurring, I am not aware of it. So I would say no, ma'am.

M. CAVANAUGH: You did not state to one of my colleagues that you are, in fact, keeping things in draft form so that I cannot request them?

STEVE CORSI: I did not state that to your colleague. I believe you're referencing a conversation I had with Senator Conrad in front of the elevator on the second floor. I was referencing-- I specifically spoke to her about a conversation I had with a gentleman by the name of Bill Benton, who is a national 4E-- a retired national 4E expert. And Bill and I had had a conversation about, in, in fact, in a, in a-- in an effort for transparency of having to share this entire circumstance with you. Shortly after taking the job, Bill called me and said, hey, Steve, you remember the work we did in Wyoming in 4E? Of course I remembered him. I remember where he sat in my office. I said absolutely, Bill. He said, Nebraska is leaving a lot of 4E money on the table, and, and I believe that you can draw a lot more down at the federal level. I said, fantastic. Bill, I've heard that from other people. He said, I've been retired now for a while. I'm spending a lot of time at home, and I'm kind of getting in my wife's hair, so I would love to help you guys. If you would be willing to send me some information, some documents, I would be happy to take a look at it and see-- excuse me-- what I can help you with, and make some recommendations. I said, great. So contacted-- I contacted our chief financial officer, John Meals, and also, Andrew, I think his last name is Keck, our deputy-- one of our deputy directors in child-- Children and Family Services, who's over finance, had the conversation with them. Hey, guys. Bill is happy to help us. And in fact, he said he would do it pro-bono, which, of course, is always a plus. We sent the documents off to Bill, John and Andrew, and they worked together. Bill then gave me a call shortly before I spoke with Senator Conrad. And said, hey, Steve. I'm going to be sending you a report. It's in draft form. I've sent it in draft form. And he said, so you, you wouldn't have to disclose it. I didn't even know that that was a thing, by the way. But he said, I've sent it in draft form. And he said, you guys take a look at it, see if you agree or if it's accurate or there are mistakes, and then send it back if there are any corrections that need to be made, and we'll finalize that. My understanding, Senator Cavanaugh, is that that is the process for documents within government agencies, is that they are in draft form while they're being worked on. And once they're finalized, they are then, at that point, public information and subject to any public records request or, as far as I'm concerned, if you wanted to see a document like that, once it's in final, final form, I have no problem showing you a document like that.

M. CAVANAUGH: Well, I appreciate that. My concern is that this current administration has made a very diligent and purposeful and directed effort to limit the oversight of this Legislature. And so when I hear a head of a state agency has said that things are in draft form so we cannot get access to them, you can see how that would be cause for concern.

STEVE CORSI: I, I think, Senator, that my comments were misinterpreted.

M. CAVANAUGH: And I, I appreciate your clarification on that point. I am concerned, however, that there is work happening with Epiphany that is not transparent. Because if everything with them is in draft form until the work is completed, we cannot provide any oversight unless you deem giving us that access. And that is very concerning to me. As a steward of the taxpayers dollars, I think that that is something that needs to be addressed, coupled with the fact that you are violating the law by not allowing our Inspector General's access to your facilities. That is an additional layer of government oversight and transparency that you, as the head of the state agency, are thwarting. And I am-- it calls into action your judgment, as to whether or not you execute good judgment when it comes to government transparency. Are you a good steward of the taxpayers' dollars? Are you the right person for this position, when you are working in darkness with an, an organization that you yourself did not disclose that you were employed by, days before you received this position? It's very, very concerning. And I'd love for you to take the opportunity to address that in any way that you feel is appropriate.

STEVE CORSI: Senator, I appreciate your comments. When you say that I didn't disclose, the Governor was very aware that I was working for Epiphany when I spoke with him about

M. CAVANAUGH: What the Governor is aware for-- aware of is not the same as you disclosing something to the broader public. It should have been disclosed. It should have been.

STEVE CORSI: You're referring to the disclosure form, Senator?

M. CAVANAUGH: The disclosure form, your biography, public statements--

STEVE CORSI: Oh, gosh. So, so--

M. CAVANAUGH: --any-- anything that you would have said to allow the public to know, people who show up here today who might testify in

support or opposition or neutral to your, your nomination, should have known in advance of showing up to this meeting today that you worked for this company that had a no-bid contract of $10 million up 2 days before you became the CEO of a department that is working directly with them. That is important. It is very important.

STEVE CORSI: Senator, may I respond?

M. CAVANAUGH: Yes, please.

STEVE CORSI: OK. So from the-- from the time that I began the position, September 11, 2023 to, to present, I have not ever in fact, in-- we call them SLTs, senior leadership teams, which is about 85 people at the leadership level, i, I have disclosed multiple, multiple times as I walked through my history, that I was a former employee of Epiphany.

STEVE CORSI: Are those-- is the press at those meetings?

STEVE CORSI: No, ma'am.

M. CAVANAUGH: Then you're not disclosing it to the public.

STEVE CORSI: No, ma'am. I would also say, although I, I get the impression we're probably not going to agree on this, but I would also say to you that there are a number-- that was a-- an 8-month, what, an 8-month, 5-day position. Certainly not one of the main positions that I have held throughout my career. There have been, I mean, I, I worked at many other places throughout my career. I don't have every, every place listed. I worked part-time jobs, I worked as an independent practitioner.

M. CAVANAUGH: But you were financially compensated--

STEVE CORSI: Correct.

M. CAVANAUGH: --for the work that you were doing in 2023, and you were--

STEVE CORSI: Understood. Understood.

M. CAVANAUGH: --employed by the state of Nebraska in 2023. I'm concerned about the lack of transparency and the lack of judgment that you are exhibiting here.

STEVE CORSI: Sen-- Senator, I will clarify. I was employed up to September 7.

M. CAVANAUGH: Yes. You--

STEVE CORSI: And then I began this position September 11. There was no overlap [INAUDIBLE].

M. CAVANAUGH: There was no overlap except for the year.

STEVE CORSI: Correct.

M. CAVANAUGH: And that should have been disclosed. And I'm concerned, even now, by the fact that you don't see how that is a problem, that you-- that it hasn't been publicly disclosed. I did not know that you worked for Epiphany until 11 a.m. today. And I will tell you, I have paid attention to your appointment and your experience.

STEVE CORSI: Sure. Sure. I am aware.

M. CAVANAUGH: And so, the fact that I didn't know that is concerning to me, and I question if you disclosed that when you met with other members of this committee.

STEVE CORSI: I, I don't recall specific conversations with every member of the committee.

M. CAVANAUGH: Do you recall ever disclosing it to any member of the committee?

STEVE CORSI: I don't know if I ever specifically disclosed it. I know I've disclosed it with some senators, but I don't recall who those were. I've met many senators, ma'am. And by the way--

M. CAVANAUGH: OK. I have questions about other areas as well, but I do want to-- I, I am-- I think we have beat Epiphany conversation down as much as possible. I do have other questions, but again, I want to be mindful of my colleagues.

HANSEN: Are there any other questions? Just to make sure. All right. Seeing none.

M. CAVANAUGH: I would like to ask the pages to pass out these binders to the committee and to Mr. Corsi. I want to be transparent about the

information that I have in front of us that we're going to discuss. So, now onto the difficult part.

STEVE CORSI: Sure.

M. CAVANAUGH: Your forward-facing persona in this world prior to being instilled here, it is no secret that you had a social media account that had some very concerning, at least concerning to myself-- oh, I already have one. Thank you. The extra one is for Mr. Corsi, not-- I'm sorry, Christina. I don't have an extra one for you. If we can give that to CEO Corsi. Thank you. I can get you one if you need it. The social media that you had, then when that became a question, you shut it off and made it private. I don't know if you want to address that before we dig into some of the concerns I have for the things that you have shared publicly, why you would shut off your social media once it became an issue here in Nebraska. It clearly was something that you had in these other public-facing positions. And so, why now, shut it off?

STEVE CORSI: So, Senator, I would, I would slightly disagree. I would agree and disagree, I guess. You're saying that I held it in public-facing position and that's probably true. I, I saw those as private accounts, but they-- yeah. They were available to the public.

M. CAVANAUGH: Were you a publicly-appointed individual in your other roles?

STEVE CORSI: Correct.

M. CAVANAUGH: Then you are a public figure.

STEVE CORSI: I was a publicly appointed official from 2011 to 2017.

M. CAVANAUGH: I can tell you, whether you want to be or not, from personal experience, you're a public person.

STEVE CORSI: Correct, correct.

M. CAVANAUGH: And it is, it is public-facing.

STEVE CORSI: Correct.

M. CAVANAUGH: It is not personal. You are representing-- if you still had this account in a way that anybody could access it, which, by the way, you probably should, but if you did, your actions on here would

be a reflection of this state. And therefore, your actions on here, I believe, are prudent to discuss, about whether or not you are the right person for this position. So I have--

STEVE CORSI: Sen-- Senator, can I answer your first questions?

M. CAVANAUGH: You-- sure. You can jump in anytime, sir.

STEVE CORSI: Did you want to ask another one before I--

M. CAVANAUGH: I have-- no, go ahead.

STEVE CORSI: OK. So your, your-- the last question I heard was, why did I shut down my account?

M. CAVANAUGH: Yes.

STEVE CORSI: And, and in response to that, obviously, at least from my perspective, I wasn't overly active on Twitter anyway, on Twitter or Facebook or Instagram or, or any social media plat--

M. CAVANAUGH: I misspoke. You didn't shut down your account. You locked your account.

STEVE CORSI: Oh, OK. Well, I thought I shut it down, so I don't even know the difference.

M. CAVANAUGH: I believe it still is there.

STEVE CORSI: OK. I was--

M. CAVANAUGH: It's just not accessible to anyone who is not--

STEVE CORSI: --I probably need to take a tutorial on-- truly. At 59-years-old, I thought it was shut down. So.

M. CAVANAUGH: Yes. I, I trust me, at 45-years-old, I definitely can relate, unfortunately, to technology issues.

STEVE CORSI: I appreciate that we agree on that.

M. CAVANAUGH: We can always find something--

STEVE CORSI: Good. I'm so glad to hear that.

M. CAVANAUGH: --to agree on.

STEVE CORSI: Some, some--

M. CAVANAUGH: Technology challenged.

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: OK. Go on.

STEVE CORSI: We can, we can learn together. So, I wasn't very active on Twitter or any other social platform. More active on LinkedIn typically, but not even very active on LinkedIn, obviously, based on my need to update my work history. Not being very active on Twitter, it seemed like obviously, there was a press firestorm around my appointment. And I, I just thought, you know what? It's-- I don't use them that much anyway. It's more of a distraction than it is a, a, a tool or a help, so I'm just going to shut it down. That, in addition to, being absolutely transparent again with the committee, Senator, that in addition to what I saw in the press of people drawing conclusions based on a little over a handful of tweets--

M. CAVANAUGH: Oh, it was not a handful, but go on.

STEVE CORSI: --OK. I, I don't think it-- well, anyway. Based on some tweets, people drawing conclusions, I thought, you know what? I would not draw conclusions about somebody based on the, the tweets that they like or don't like or repost. I, I might have some initial impressions, but I would love to sit down with them and would-- if we were in disagreement, would be happy to sit down with them and have a conversation. What I have found, through the years, and maybe it's a-- just a fact of being 59-years-old, but what I have found through the years is that when people disagree, if they will sit down face to face and have a conversation over a cup of coffee or over a meal or, or even just a conversation, that they will often find there is much more that they agree on that there is that they disagree on. And from that point, they can work-- they can work forward. I'm very proud of the fact that that is-- that when you look at my history, if you call, people, if you would call legislators in the state of Missouri, even today, many of them who are still there-- or legislators in the state of Wyoming-- they would say that it didn't matter what political platform we came from, ors-- in, in fact, many of them might say that we're not even aware of what political platform Steve is-- espouses. That we work across-- we worked across aisles for the best interests of the people of both those states. I would expect the same thing here, and I would hope the same thing here. In fact, as we get into

these tweets, I do want to say it to the-- to this committee and to everybody in the room and whoever else is listening, that it was never my intent to offend anyone by liking some tweets or, or not. And I now understand that that-- that some people were, were-- feel hurt by that. And I feel terrible about that. I would never intentionally seek to hurt anyone. And, and I can also say-- and I'm saying a lot of words, but I want to finish. I just want you to hear my heart, which is that I have been fighting for vulnerable, voiceless people, or people without much of a voice, since, I believe, since 1983, when I first joined the military, and then 1991, when I was still in grad school in counseling psychology, serving people. And, and I don't care who somebody is. I don't care what they look like. I don't care who they love. I don't care if they're big, tall, short, small, it doesn't matter to me-- what color their skin is. I am here to serve Nebraska citizens, every single one, all 1.93 million, in the best way possible, and to ensure that DHHS is doing that with everybody across the state.

M. CAVANAUGH: I appreciate that.

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: And I would have liked to have had this conversation with you initially one-on-one, but unfortunately, you were not allowed to leet-- meet with me one-on-one. It only could-- our meeting could only be in this forum or with an entourage in my office. And I don't think that you and I meeting with handlers was going to get us to where we needed to be, to get answers to these questions and have an honest conversation.

STEVE CORSI: Senator, Senator, I hope there is a day when we can have a conversation together.

M. CAVANAUGH: I, I am-- I am certain that there will be, sir.

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: And I think that this is perhaps, maybe, a lesson for the Governor's Office, that they should have more faith and confidence in the people that they appoint to directors of, of institutions, to be able to handle a conversation in private with legislators. Because if they had, we would have had this conversation already. But unfortunately, we are where we are. So I would like to give you the opportunity to respond to some of these things. You did-- you gave a

response, and I appreciate your response. And I want to acknowledge that.

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: And I appreciate your reflection on this. But you are being tasked with heading up the largest state agency that serves the most people in this state, including our most vulnerable of vulnerable people, and you have said a lot of things or "liked" a lot of things that are concerning. And it's not just a handful of things, it's a pattern. And that is where the concern really comes in, because I actually just-- this is just a sampling of them. I went through and, and sort of chronolized [SIC] with my staff, some of the ones that are, are most concerning, and you can see them. I tabbed-- if you want to follow, you don't have to, but the pur-- the last tab that says social media, I accidentally-- the page before it is actually the, the tweets. They're all in everyone's binders that they have here. This is March 8. Race is preposterous nonsense. And then you liked a tweet that said, thousands of free blacks owned black slaves in the antebellum South. And years after the Emancipation Proclamation in the United States, whites as well as blacks were still being bought and sold as slaves in North Am-- in the Middle East. Do you want-- you-- this agency serves our vulnerable black children who are overincarcerated, overentered into the systems of the state. And, and comments like that reflect a deep-rooted held belief.

STEVE CORSI: And may I share that deep-rooted--

M. CAVANAUGH: You may absolutely.

STEVE CORSI: --held belief with you, Senator? So that deep-rooted held belief is that each one of us-- I am a, a man of deep faith, Christian faith, a Bible-believing Christian. And as a result of that, it is my belief that we all descend from Adam and Eve, from the 2 humans who were created in chapter 1 of the book of Genesis. As a result of that, I, I believe that there is one race and that is the human race. And I, I don't think we ought to separate people by race or skin color. I believe that everybody should be treated the same, should be cared for and loved and treated with respect and compassion. The, the, the tweet, with regard to-- I think it was a tweet, you said-- with regard to whites and blacks being, being bought and sold, that is a true-- that was a true comment. That's-- so it, it was a-- it was basically just affirming that-- that's an unfortunate truth.

M. CAVANAUGH: So, again, I, I appreciate your, your deeply-held faith and your belief, and, and that there is only the human race. Your position, as the head of DHHS, an organization that is tasked with so many things that touch our healthcare industry, and we in this state have a disproportionately high incidence of maternal morbidity--

STEVE CORSI: Absolutely.

M. CAVANAUGH: --and mortality--

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: --for black women.

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: We cannot abide by-- that we're all the human race. That's not the reality of our healthcare system. We have to be able to acknowledge health disparities based on race. And if you are refusing to acknowledge that race exists and that it impacts the healthcare industry, that is-- problematic is the nicest term I can come up with.

STEVE CORSI: Senator Cavanaugh, may I respond to that?

M. CAVANAUGH: Yes, please.

STEVE CORSI: OK. I think, I think you are-- I think you are adding to my words. I did not say that there were not disparities. And I am aware that there are disparities. And we-- in fact, when I was in Missouri, one of the-- and, and that's the reality that I have to live in, is that there are disparities, unfortunately based on skin color at, at times and in places. And we need to do what we can-- and, and other qualities, by the way, or characteristics.

M. CAVANAUGH: But you are making comments that are harmful to people--

STEVE CORSI: May I finish my comment?

M. CAVANAUGH: --of another race. You're making comments that are harmful to people of another race in this platform. And then in this platform, saying that you don't believe in, in acknowledging race. You believe in acknowledging the human race, but then you also believe in healthcare disparities. This is a very confusing train of thought to follow.

STEVE CORSI: It's-- Senator, it's, it's not confusing to me at all. And I apologize if it is confusing. We can continue to have the conversation to try to clarify it. What I was going to say, is that in the, in the boot heel of Missouri, which is down in the Mississippi Delta, which is a very poor area of Missouri, our, our rate of infant mortality and maternal mortality, but specifically infant mortality, in the black population was higher than across the rest of the state. We-- obviously, that's the, the-- the reality is that there aren't a lot of people in the culture that think about race in terms of just the human race, but they think of it in terms of breaking it up based on identifying characteristics. That's a reality that I have to work with as a leader. And I think my history demonstrates that I have done that. We work to improve those rates. In fact, we put a lot of focus into our, our poorer black areas, in an effort to improve the infant mortality rates as well as maternal mortality. I can give you-- I could give you names of people that-- obviously, it doesn't make sense, but I could give you names of people that we worked on those issues with. In addition, I would point to work that, that the current regional director for HHS, Joe Palm, that Joe and I worked on down in St. Louis. What we were aware of was that at the time, St. Louis was one of the 10 most dangerous cities in the United States, specifically for gun violence. Most of that gun violence was male, and it was black-on-black gun violence. We worked with the city of St. Louis, with many different organizations, and put together the-- and by the way, there was also the issue of not just homicide and, and gun violence, but there was-- we were losing 3 point-- I'm sorry, 3 people per day due to the opioid epidemic. And many of those were in black St. Louis. We put together the Opioid and Homicide Response Task Force and spent great deals of time in the, in the poorer parts of St. Louis, working to reduce gun violence among black youth, typically being about 14 to probably 28 or 30 years old, and also, opioid use. So, I, I think my history demonstrates, demonstrates that although I see one race, the human race, that I am aware of disparities and actively work to eradicate those.

M. CAVANAUGH: OK. You liked a tweet that said, how in the world can you be a Democrat and vote Democrat? This breaking news should make every Democrat ashamed and embarrassed of how Godless their worldview is.

STEVE CORSI: I don't recall what that tweet was in reference to. I, I don't recall.

M. CAVANAUGH: Regardless of what it's in reference to, what it says is not something that's in the spirit of the nonpartisan Nebraska Legislature. Do you want to comment to those of us that are Democrats, sitting on this committee?

STEVE CORSI: I would-- I--

M. CAVANAUGH: Is my worldview Godless, in your view?

STEVE CORSI: I think, I think there are parts. And I think there are parts of-- there are probably parts of the, the other side of the aisle that are, as well, ma'am.

M. CAVANAUGH: You think that I'm Godless?

STEVE CORSI: I did not say that.

M. CAVANAUGH: Do you think that I'm godless?

STEVE CORSI: I have no idea. That's between you and your God, as my religion is between me and mine.

M. CAVANAUGH: Thank you.

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: That is something we definitely agree on.

STEVE CORSI: Absolutely.

M. CAVANAUGH: Abortion isn't healthcare because pregnancy isn't a disease.

STEVE CORSI: That's correct.

M. CAVANAUGH: Abortion is healthcare.

STEVE CORSI: Senator, we're going to have to agree to disagree on that.

M. CAVANAUGH: I think that even the most conservative women in this room and in this world will disagree with you, because a miscarriage is an abortion. And if you need to have an abortion because your baby has died inside of you, that is, in fact, healthcare. Whether you agree with abortion, that is not for that reason or not, abortion is healthcare. Period. And you want to be the head of the Department of

Health and Human Services, and you do not understand what is essential healthcare for reproductive health? I would not exist if abortion wasn't healthcare. Do you want to say anything further?

STEVE CORSI: No, ma'am.

M. CAVANAUGH: OK.

STEVE CORSI: [INAUDIBLE].

M. CAVANAUGH: Stand flat-footed and speak the truth on the issue of homosexuality. What is the truth of homosexuality?

STEVE CORSI: So, Senator, the, the tweet that you're referring to was a, a tweet from Voddie Baucham, who is a well-respected, Christian black pastor, I might add.

M. CAVANAUGH: Black people can be intolerant of gay people just the same as white people can.

STEVE CORSI: I, I don't believe that I am intolerant of any people.

M. CAVANAUGH: Then what is the-- what is the truth?

STEVE CORSI: Scripture is very clear about homosexuality. And that's what Voddie was-- or Pastor Baucham was referring to.

M. CAVANAUGH: So, again, to be instilled as the head of the largest state agency that has employees that are part of the queer community, now we are going to make their boss someone who thinks that this is an issue?

STEVE CORSI: So what I would say--

M. CAVANAUGH: That would, to me, be a hostile work environment.

STEVE CORSI: I would say that's an unfortunate interpretation, Senator. I would say, in response to your comments, I, I don't hear a question in there, but--

M. CAVANAUGH: Go ahead.

STEVE CORSI: --in response to your comments, I would say that my religious beliefs are my religious beliefs, and yours are yours, and each other person's in here are theirs. My religious beliefs, in, in fact, throughout Scripture, Scripture is-- there are many commands

that are given, 613 to be exact. And anytime we are engaged in something contrary to one of those, it's referenced as sin or lack of righteousness. However-- please let me continue. However, one of the-- and, and by the way, I would also point out that Scripture says very clearly, in the book of Romans, I believe it is, in fact, I'm sure it is. Says, for all have sinned and fallen short of the glory of God. That includes me, you and everybody else in this room, according to the Bible. However, Jesus also said, in a couple of different places, not the least of which is in Matthew, that the second greatest commandment is to love your neighbor as yourself, first greatest being to love God. So loving your neighbor is the standard. It doesn't matter what, what people do. I would go back to what I said before. It doesn't matter who people love. It doesn't matter what they look like. Every human being is created in the image of God, and is to be treated with compassion, respect, love, dignity.

M. CAVANAUGH: So--

STEVE CORSI: And, and I want to ensure-- I'm, I'm not here today, going through the confirmation process as a missionary. I'm here today going through a confirmation process as a CEO. I want to ensure that every Nebraska citizen is receiving the best equal care or services that they can and that they need to ensure that they can succeed in the best possible way.

M. CAVANAUGH: So when you have an employee who needs to take time off for their same-sex marriage, you will be just as kind and understanding of that request as anyone else.

STEVE CORSI: Absolutely. Why would I not? Yes, ma'am.

M. CAVANAUGH: Well, it's, it's nice to have you say that, because your social media would lead people to believe that that might not be the case. And that is unfortunate. I have questions on another area pertaining to DHHS, but again, I would like to allow others to jump in if they feel necessary. OK.

HANSEN: You could be done if you want to.

M. CAVANAUGH: I could be, but I'm not. Do you need any more water, sir?

STEVE CORSI: Senator Cavanaugh, I'm fine for about 20 more minutes.

M. CAVANAUGH: You can just nod to the pages. They are--

STEVE CORSI: I would love-- I would love a cup of decaf or may--

M. CAVANAUGH: Oh. Do we have any decaf?

STEVE CORSI: I thought of-- I was going to joke and say, or a shot of whiskey, but I, but I don't drink anymore.

M. CAVANAUGH: That'll be for later.

STEVE CORSI: OK. Yes ma'am.

M. CAVANAUGH: OK. Jumping back, there's this-- I'm going to be-- I'm going to have some levity for a moment if you'll bear with me. There's a great--

STEVE CORSI: I hope to find it funny with you.

M. CAVANAUGH: There's this show that just came out that is a-- sort of a mocking show of NPR, and I can't remember what it's called now.

STEVE CORSI: NPR is a wonderful station.

M. CAVANAUGH: It's, it's puppets. And they, they are-- anyways, the, the main character on it, whenever he interviews and he wants to change topics, he does this thing and goes, boing, boing. So we're going to go from social media to YRTC Kearney.

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: Such a fun transition, right?

STEVE CORSI: Yeah. You, you bet. I think I'm looking forward to the conversation.

M. CAVANAUGH: I don't know if you're-- I don't know if you're looking forward to this or not.

STEVE CORSI: It's probably going to be a tough conversation.

M. CAVANAUGH: In 2023 or 2022, the Legislature authorized appropriation of, I believe, approximately $20 million, to renovate the facilities at YRTC Kearney, which is back to being an all-boys youth rehabilitation treatment center. When Senator Day and I went to visit in November, because, again, DHHS is in violation of the law by not allowing our Inspector Generals to inspect, we did a surprise site visit to get eyes on the kids that were there at that time. And at

that time, the director, Mark Labuschagneier, who was very gracious and--

STEVE CORSI: Good.

M. CAVANAUGH: --took us around on a tour, did point out the facility that was supposed to be renovated, it had been gutted and sitting there empty. In the meantime, we still have youth sitting in a dormitory style that is possibly contributing to the staff assaults. Because we are having youth that are in rival gangs put into a dorm together--

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: --because that's what the facilities have available. And that is causing an increase in violence and an increase in safety issues for staff. What is the plan? And why has that building not been renovated and put to use?

STEVE CORSI: So I appreciate that question a lot, Senator, and, and share your concerns. And by the way, I appreciate both of you going out to YRTC. That was shortly after I started. And I was pleased to hear that--

M. CAVANAUGH: And your staff was very wonderful and welcoming.

STEVE CORSI: --yep, that they were gracious, and--

M. CAVANAUGH: Yes.

STEVE CORSI: --and I appreciate the legislative visit. You, you are welcome to visit other facilities, as well. We would love to show you, obviously, what we can show you which doesn't violate federal law.

M. CAVANAUGH: Senator Riepe is dying to go on a tour of a few facilities with me.

STEVE CORSI: Senator Riepe, I would be happy to take you with me.

RIEPE: I'll be a tag-along.

STEVE CORSI: Fantastic. I appreciate you, sir. So getting back to your question about the building. I think-- you said $20 million, but I think, if I remember right, I could be wrong, but--

M. CAVANAUGH: I could be wrong, too.

STEVE CORSI: --I think it was $15.6 million.

M. CAVANAUGH: All right. I'll, I'll-- we'll go with your number.

STEVE CORSI: It's either, it's either 15.6 or 16.1. I think it's 15.6.

M. CAVANAUGH: It was Senator Lowe's bill. So in full transparency, I don't know the exact numbers.

STEVE CORSI: And, and he mentioned it to me this morning.

M. CAVANAUGH: I'm sure he did.

STEVE CORSI: Yeah. Yes, ma'am. And I gave him a little bit of an update. So the building that you actually the way I understood it was that the unicameral one of two buildings built, and authorized or appropriated $15.6 million. Don't-- let's not use that number, but--

M. CAVANAUGH: We don't have to quibble over millions, today.

STEVE CORSI: --yeah-- authorized, authorized some money, an appropriation, to get that done. Thank you so much. Is that cold, by the way?

_____: No. It's hot.

STEVE CORSI: Oh. It's coffee. That's fant-- that's even better. So for the money that was appropriated, we, we worked with a, a firm, went out to bid, worked with a firm to look at what we could do. And there are 2 questions on the table. One is the existing building being renovated, and the other is an-- is a new build or new construction. My understanding was that the Unicameral wanted 2 buildings built for the 15.6 that would house, I believe it was 48 youth. To do 2 buildings was going to be well in excess of the money appropriated. In fact, it was alm-- I'm trying not to use numbers--

M. CAVANAUGH: That's [INAUDIBLE].

STEVE CORSI: --because I don't remember the exacts, but I think it was almost twice as much as what was appropriated to do, to do 2 buildings. However, so we said, OK, well, they didn't really stipulate that it had to be 2 buildings. They, they, they were really after--

M. CAVANAUGH: Beds.

STEVE CORSI: --this was their intent-- yeah. They were after a certain number of units. So could we do this in a single building structure? So I can tell you that we have gone back to the, the-- I believe it's an architecture firm, as I recall-- engineering firm, I'm not sure. And, and they have put together a design that we, we have, at the department, accepted. And that is in the process of being looked at. And I believe we're going to be-- I believe we're going to be moving ahead in the not too distant future, building a 48-bed unit. I think that's true. Now, with regard to the-- and then it'll take about a year for construction, as I recall. What I don't recall is if that is exactly-- has, has been completely approved yet or not. But then I want to get to your other question, which was about the existing building being renovated. That building, it's been determined, was full of asbestos and numerous other-- I think it had lead-based paint, as I recall, and asbestos, and, and had more than served its lifespan and needs to be torn down. The expense of actually refurbishing it or remodeling it would have been more significant than doing a new build. And it still would have had safety and code issues from--

M. CAVANAUGH: Sure.

STEVE CORSI: --its original const-- H-VAC issues and all kinds of things.

M. CAVANAUGH: Yeah. I've seen the building.

STEVE CORSI: OK.

M. CAVANAUGH: You don't have to convince me.

STEVE CORSI: So, so you understand. Yeah.

M. CAVANAUGH: Yeah. OK.

STEVE CORSI: Does that answer your question?

M. CAVANAUGH: I think-- it does. I think it would be helpful for the committee, and I, I would rope Senator Lowe and Senator Arch-- Speaker Arch into this, as well, to get an update on the status of that. That is something that we have worked on, the YRTCs. And, and I would add Senator Brandt, as well, because he's been very involved in the YRTCs, but it would be helpful to get an update on the progress of that and where all of that stands, because it is concerning that we appropriated the money and it, it seems to have no action. But if there's action being taken, we'd like to know.

STEVE CORSI: Yep. Absolutely. And that's understandable. But I understand, Senator, that, that there has been a bit of a, of a history of distrust between the department and-- or between the Unicameral and the department. And I can assure you we want to do everything we can to reverse that.

M. CAVANAUGH: A great starting point would be more realistic fiscal notes that come into this depart-- H-- this committee, because this committee has had a long history of experience of death by fiscal note from DHHS. So that is something that I would put on your radar as a top priority for building goodwill with all members of the Legislature, because it is-- the department has been equal opportunity death by fiscal note. I will say.

STEVE CORSI: Senator, may I make a comment to that?

M. CAVANAUGH: Sure.

STEVE CORSI: If there is somebody behind me in the room from the department, I hope they wrote that down.

HANSEN: And also, if I might add--

M. CAVANAUGH: Yeah.

HANSEN: --always come opposed to every bill of Senator Cavanaugh's. She loves that.

M. CAVANAUGH: I do. Yes. Yes.

STEVE CORSI: May I ask 1 more question that's [INAUDIBLE]?

M. CAVANAUGH: No, there's [INAUDIBLE] neutral.

HANSEN: I, I had to joke. I was just--

STEVE CORSI: Is this decaf?

HANSEN: It's neutral.

M. CAVANAUGH: He come-- he comes in opposed to my bills, even though he's sitting as the chair. I, I am almost to the end.

HANSEN: You can go.

M. CAVANAUGH: So the tab that everyone has, that's E-c-o-n, this is the economic assistance department.

STEVE CORSI: Yes.

M. CAVANAUGH: And--

STEVE CORSI: Pretty proud of this, and I hope you will be, too.

M. CAVANAUGH: I'm sorry?

STEVE CORSI: I said, I'm pretty proud of this, and I hope you will be, too.

M. CAVANAUGH: I'm-- I-- my question is--

STEVE CORSI: Economic assistance office.

M. CAVANAUGH: --yes. So it is listed as a division. On your org chart, it has division directors, and Shannon Grotrian is listed as a division director. And she is listed as the director of the Office of Economic Assistance. My question/concern is how you created a new division in DHHS, because it seems to be that that is what has happened. If you have, perhaps you are not aware, but I'm going to make you aware now, that it is actually in statute what the divisions are. And that would require a statutory change, so--

STEVE CORSI: I, I am aware. Yes, ma'am.

M. CAVANAUGH: OK.

STEVE CORSI: So I see that it, it, it is under division directors. I think this is what you're--

M. CAVANAUGH: Yep.

STEVE CORSI: --referring to, ma'am, with the-- yep. So if you'll look in the, in the box, you'll see that it says director of the Office of Economic Assistance. It is not a division. Nor in fact, it probably-- I was unaware that it was listed under division directors. That needs to be-- that needs to be moved somewhere else, administrative leadership or something. But it's a--

M. CAVANAUGH: And also on your website where the divisions are, it is listed as a division--

STEVE CORSI: OK. We need to correct that.

M. CAVANAUGH: --where it used to be, I believe, within--

STEVE CORSI: CFS.

M. CAVANAUGH: Yes.

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: So-- OK. Thank you. That was an easy one. That was a softball.

STEVE CORSI: And may I, may I add a few comments to that for you?

M. CAVANAUGH: Yes. Please do.

STEVE CORSI: Yeah. So we created-- we intentionally created the Office of Economic Assistance, and pulled that out of Children and Family Services. As you can imagine, Senator, Children and Family Services is about protecting-- the protection and safety of children and families. And when children are hurt, that gets lots of attention and resources, as well as, excuse me, as well as the juvenile services portion of Children and Family Services Division. Our concern was that the Office of Economic Assistance, that those assistance programs-- I forget the number. There are-- I'm not going to use a number, but there are a considerable number, well in excess of 15 programs-- TANF and SNAP and child support enforcement and childcare subsidies and LIHEAP, and the list goes on. Our concern was that being in CFS, that the, the economic assistance programs just probably weren't getting the love or attention that they needed. And so we, we have stood up as recently as-- I believe it went live January 2, as I recall, stood up the Office of Economic Assistance. And we're kind of splitting that out from CFS so that that reports directly to the CEO, so that we can be paying attention to that. I can-- I will go so far as to tell you that we are paying attention to that. And as recently as yesterday morning at 63:0, I was on the phone with the regional director for Food and Nutrition Services for the USDA, talking about Nebraska error rates. Yes, ma'am.

M. CAVANAUGH: Thank you.

STEVE CORSI: Yes, ma'am.

M. CAVANAUGH: OK. The OIG.

STEVE CORSI: Yes, ma'am. Which, which, which I, I hope I--

M. CAVANAUGH: I've, I've, I've direct-- I've directly alluded to it-- I wouldn't say alluded, I've directly stated the concerns about the Inspector General's Office, specifically, child welfare. You are in violation of the law, period. You are choosing to remain in violation of the law. Why?

STEVE CORSI: Senator, my response to that would be that we are following the state, the state's attorney, which is the Attorney General--

M. CAVANAUGH: But that is, that is an opinion, that is not the law. So you are taking a legal opinion over the actual law.

STEVE CORSI: I under-- I understand what you're saying, Senator. I would say that we are following legal guidance from the state's attorney as the executive branch. And my understanding is that there is work in process, that is occurring between the, the-- this body, not this committee necessarily, but the, the Unicameral and the Attorney General's Office and the administration, to work out those issues in a way that works for everybody. I-- I'm going to go back to-- I, I want to also assure you that, while the-- while we are adhering to the Attorney General's Opinion, we continue to provide unredacted reports to the Governor and the Governor's Office to ensure that--

M. CAVANAUGH: But not to the Legislature.

STEVE CORSI: --well, let me finish, Senator.

M. CAVANAUGH: OK.

STEVE CORSI: And we have provided-- I, I heard you say that we have provided no information. I heard you say that in Dr. Bish's hearing, I guess. And that's technically not correct. We have provided some redacted reports to the Legislature, on things that we thought-- or, or to the OIG's office-- I'm sorry-- to things that we thought they needed to be aware of, in an effort to try to be transparent, even while this process is being worked through.

M. CAVANAUGH: My office requested information that we-- in November, that we have not received, from DHHS, pertaining to concerns within the YRTC.

STEVE CORSI: So, Senator, I heard you-- I appreciate you bringing that up a lot. Because I heard you say that with Dr. Bish. And as I was sitting there, I was thinking, gosh, I want to, I want to ask her what that was. I would love to find out what that was, and if it's information that we can release we're happy to-- according to the Attorney General.

M. CAVANAUGH: According to the Attorney General's Opinion, it is the role of the Legislature to provide, provide oversight. And the crux of the argument is that we are delegating that authority to the Inspector General's Office. So the fact that the Inspector General no longer has the access, but we still have the access, should mean that if I request something that the Inspector General previously requested, I should be able to have access to that.

STEVE CORSI: So, so we are in this interesting dance, Senator Cavanaugh.

M. CAVANAUGH: Where you are breaking the law. Yes. Go on.

STEVE CORSI: I, I appreciate your perspective and, and--

M. CAVANAUGH: It's a fact.

STEVE CORSI: --and comment.

M. CAVANAUGH: It is a fact. It's not a perspective.

STEVE CORSI: We are, we are, we are in this interesting dance, where all I can do is to assure you that, that I trust in the process. And that the process is going to get resolved. And whatever information we can provide to you, we abs-- I personally will-- am happy to do that. We will do that for you. If we, if we are advised by counsel that we cannot, I need to adhere to that. So I'm, I'm sure that resolution is going to be reached.

M. CAVANAUGH: You are being advised by counsel, and you are taking the counsel that is advising you to break the law. Period. It's not my perspective. It is the fact you are breaking the law. Whether the inspector General issues an opinion or not does not change the fact that the law is what the law is. And until the law changes, you are breaking the law. That's the fact. And that is a concern. I think that might be, possibly, all of my questions. I would like to say one more thing that I was remiss in saying at the beginning, that I very much

appreciate you coming here today, giving me your time, giving us your time. I also appreciate your service to this country--

STEVE CORSI: Oh, thank you, ma'am.

M. CAVANAUGH: --and the history of service that you and your family have. I know that I was direct with you.

STEVE CORSI: I appreciate directness.

M. CAVANAUGH: And I appreciate you answering my questions. Obviously, I have severe reservations, but I just wanted to acknowledge that it is very kind of you to be so generous with your time today. And thank you for your service.

STEVE CORSI: Senator, thank you. May I make comments in response? Senator, thank you. I, I, I appreciate your comment about generosity. My wife and I both frequently talk about generosity, and I hope that that is a quality not just in time, but in effort and other resources that, that I, and she and I, bring to the state of Nebraska. I, I know that there probably isn't isn't-- I can't calm your reservations. I would imagine with some comments-- I, I would like to go back to a comment that I made. And I would say that I think if you were to call anybody that I've worked with in the past, in a number of different settings, they would see-- they would say that Steve's-- that Steve is characterized by kindness, generosity, love, compassion, will fight for the underdog all day long. And I-- Senator, that is what I bring to Nebraska. I will fight for every Nebraska citizen.

M. CAVANAUGH: Thank you very much.

STEVE CORSI: Yes, ma'am.

HANSEN: Any other questions? All right. Seeing none, thank you very much.

STEVE CORSI: Thank you, Mr. Chairman.

HANSEN: And so with that, we will take anybody who wishes to testify in support of Dr. Corsi's nomination. Is there anybody who wishes to testify in opposition? Is there anybody who wishes to testify in a neutral capacity? All right. That'll do it. So with that, we will actually close our gubernatorial appointments for today. And then we will open up with the hearings on the-- on our bills for today. And I had 5 of them listed in order. And we'll start with LB1178, and

welcome Senator Wishart to open. Actually, let's do this. How about we just take a short break, since it's been about-- almost 2 hours. So let's just take a break for about 5 minutes. We'll let Senator Wishart come down here and get started. And then, we'll return here at around 3:15 and open up with LB1178. Thank you.

[BREAK]

HANSEN: OK. Welcome back. So now, after that short break, break, we will open it up with LB1178, and welcome Senator Wishart to open. Welcome.

WISHART: Well, good afternoon, Chairman Hansen and members of the Health and Human Services Committee. My name is Anna Wishart, A-n-n-a W-i-s-h-a-r-t, and I represent the 27th District in west Lincoln and now, southwestern Lancaster County. And I'm here today to introduce LB1178. LB1178 is a bill that creates the Intergenerational Care Facility Incentive Grant Program to award one-time funding to eligible nursing facilities to establish on-site childcare. The total pilot grant program cost is capped at 300,000, 1 time, with a maximum of $100,000 per applicant. And so I would consider this a more of a pilot opportunity program. And the grant funding can be used for the following: modification of the nursing facility structure, modification, modification of the nursing facility's outside campus space, purchase of childcare- related equipment and supplies, and then any combination of such purposes. The grant program prioritizes eligible applicant-- applications from nursing facilities located in rural communities, as defined in Section 81-1228, disqualifies any facility that was cited for substandard, substandard quality of care during its most recent survey, and does not require the long-term care facility to own-- to also own or operate that childcare service, so they would be able to collaborate with a childcare service provider in, in the state to provide those services. The program also requires DHHS to work with nursing facilities and other stakeholders to review regulatory barriers that impede the development of an intergenerational facility, and develop a plan for addressing burdensome regulations that do not impact the health and safety of the residents. I read about the concept of intergenerational care facilities in 2019 and was instantly inspired by the idea. You know, unfortunately, there aren't actually a lot of intergenerational care facilities around the United States. But what we're seeing on a global level and even in the U.S., where there are, is just incredible outcomes for both the seniors and the, and the little kids, as you can imagine. I introduced this bill in 2020. It was, at that time, LB1051,

but the bill was stalled due to extenuating cir-- circumstances and, and the COVID issue as well, just was not going to move this forward at that time. But I think a lot of us recognized that during that, there was significant isolation, among seniors, in particular. And so, again, this brought to light to me the opportunity for this shared space concept. So it is a simple concept, providing childcare in a nursing facility and creating opportunities for shared activities between seniors citizens and children. Providing these intergenerational experiences for Nebraska children and seniors epitomizes one of my favorite pieces of advice from Taylor Swift: never grow up. As many of you serving on this committee know, long-term care is struggling in our state, especially in rural communities. It seems like every week I hear about another nursing home closing or on the brink of bankruptcy. At the same time, I continue to hear from childcare advocates and parents across Nebraska that there's a need for more access to affordable and quality healthcare. Incentivizing the co-location of senior long-term care and childcare will benefit senior residents by providing vital social interactions with children, and will also benefit the children's social and personal development by having more adults in their life. And then on top of that, what we've seen from some of the programs that do exist here and then in the United States is a staff retention opportunity, as well, because the staff who work in the nursing care facilities, long-term care facilities, often in challenging hours that are outside of a traditional 8 to 5, are able to have their kids in this care facility-- as-- in, in this childcare facility, as well, and so they can stop over and see their kids while they're, while they're at work. Again, LB1178 establishes a pilot grant program for nursing facilities to apply for up to $100,000 to assist in capital improvements, such as renovating space and purchasing equipment for childcare. The total amount for the program is $300,000. So I just wanted to reiterate that one time. Ideally, we would see great success and participation in this program. And also, these pilots would allow for the department to work with them to see how do we just reduce some of the regulations that are getting in the way of these co-location of facilities? And then, there may not need to be additional funding in the future, because we've gotten rid of some of the barriers that are-- keep preventing these nursing home facilities from being able to collaborate with childcare facilities. So I'd like to see this as a way to test this out, see how it's working, and, and then hopefully, I imagine it's going to be successful. And hopefully it's something that spreads across the state and we can be a leader in the country on this. Behind me will be testifiers from the long-term care industry,

as well as a provider from North Platte who already has childcare co-located at their facility. Thank you. I would be happy to answer any questions.

HANSEN: Thank you. Are there any questions from the committee? Senator Riepe.

RIEPE: Thank you, Chairman Hansen. Thank you for being here. And thank you for taking up this very good project. The question that I have, in your research, did you discover anything out of a Swedish model? I think, for years, they have been working with combinations of-- I think maybe 20 years or so. And so, it might be a real resource if you haven't already.

WISHART: And I have not looked at-- I have looked at some models outside of the United States. I can't remember if it was the Swedish model. But definitely in, in Europe, you see more opportunities for different generations to engage with each other in these kind of intergenerational experiences. And then there's a wonderful study at-- from Stanford University, looking at the benefits of, of multigenerational time spent together and the importance of that in, in people's lives.

RIEPE: Sure. Another question, if I may? Have you looked at the opportunity for-- if it's going to be kind of a pilot study? So many urban, so many rural, so many-- to try to get an idea of where may work best or not work. Is, is that a consideration?

WISHART: Yeah. When we considered this legislation, we actually wrote an incentive for a rural pilot, recognizing that some of the most challenged areas in our state, in terms of assisted living and long-term care, are in rural parts of our state. Where-- I've heard about on Appropriations, there are sometimes facilities where they have wings of their nursing facility that, that is unoccupied and could be an opportunity to change that into a childcare facility.

RIEPE: Would you accommodate if a for-profit wanted to go in this direction?

WISHART: I would absolutely be open to that.

RIEPE: OK. Thank you very much. Thank you. Mr Chairman.

HANSEN: Yes, Senator Ballard.

BALLARD: Thank you, Mr. Chairman. Thank you for being here, Senator Wishart. I'm sorry if I missed it in your, your opening. Did you say other states have already been doing this?

WISHART: Yeah, some other states have. Not, not-- I don't know, to this level of incentivizing a pilot, but other states have intergenerational facilities that do exist. It's just when I was doing my research on this, there's not a lot in the United States, surprisingly, which is just surprising to me, that there, there wouldn't be more childcare and senior living opportunities together. But I don't know of another program. And maybe somebody following me will know of some, like, actual policy programs that are incentivizing this.

BALLARD: Thank you. And then D-- and then DHHS permits this. This is just establishing a grant program. Correct?

WISHART: Well, this-- I don't think there is anything that prohibits this from existing now. It's just there are a lot of regulations around childcare and that come with costs, in terms of building out a space that meets those regulations. And so this would help to kind of alleviate some of that for, for up to 3, 3 facilities, or more if, if they take less than $100,000. And then the goal is to, to have DHHS to request that they're working with these facilities, to figure out what are additional ways we can reduce regulations so that, that sort of overhead capital expenditure is able to be reduced, and we can see more of these types of programs.

BALLARD: Yeah. Thank you for being here. And thank you for your innovative approach. Appreciate it.

HANSEN: Senator Hardin.

HARDIN: Do you know anything about shared fixed costs that might be saved? For example, if there is, oh, I don't know, a food facility that both sides of the house could use, if there were medical that both sides of the house could use. I'm just guessing it might be a savings of 20% of those fixed costs, theoretically.

WISHART: It could be. And I'm excited for the person in North Platte to, to talk with you because, she, she or he may have some ideas on that.

HARDIN: State of Minnesota is one to look at. There might even be a builder up there who specializes in exactly these kinds of facilities.

WISHART: OK.

HARDIN: Hypothetically.

WISHART: I will follow up with you after, about that.

HANSEN: All right. So I'm assuming and maybe somebody can answer this after you, there has been no-- not much of a conflict with any rules and regulations around CMS?

WISHART: I don't-- the-- Sara Howard's here, and she can talk more directly on that. But I don't anticipate there are going to be conflicts, as long as there is-- my understanding is-- well, I'll let Sara Howard talk about it. There's a few things that you have to do, as a childcare facility within a nursing home, that, that you would need to abide by, but those are manageable.

HANSEN: OK. She's chomping at the bit back--

WISHART: Yeah.

HANSEN: --there to answer the question. OK. Any other questions from the committee? All right. Seeing none, are you going to stay to close?

WISHART: I will.

HANSEN: All right. We'll see you at close. All right. So with that, we will take our first testifier in support of LB1178. Welcome.

JALENE CARPENTER: Hello. Good afternoon, everybody. Good afternoon, Chairman and members of the Health and Human Services Committee. My name is Jalene Carpenter. J-a-l-e-n-e C-a-r-p-e-n-t-e-r. I am the president and CEO of Nebraska Health Care Association. I am here today on behalf of our 401 nonprofit and proprietary skilled nursing facility and assisted living community members, and also here as a member of the Nebraska Chamber of Commerce and Industry. And we are here to testify in support of B1178. I would like to thank Senator Wishart for introducing this. Legislation and for. Her interest in promoting intergenerational care. And we'd also like to thank former Chairman Howard for her continued support of this important project. Our members support LB1178, which would establish the Intergenerational Care Facility Incentive Grant Program to provide one-time funding to eligible long-term care facilities to support startup costs associated with establishing on-site childcare. As the initial cost to construct appropriate indoor and outdoor childcare

space, meet fire and life safety requirements, and purchase necessary equipment and supplies can be significant. This bill would help remove that barrier. We appreciate that the bill also asks the Department to consider how its licensure and regulatory process providing childcare on-site at a facility might be streamlined without impacting safety. Nebraska Healthcare Association has multiple members who currently offer on-site childcare, and they all agree that while it's not revenue generating per se, the benefits of offering intergenerational care are immeasurable for everyone. In some of these, intergenerational childcare facilities are at capacity. And while this bill addresses new childcare facilities, we would appreciate in the future consideration for this funding to also include expansion of existing intergenerational childcare facilities. Our members have noted the benefits that include sharing an environment for children and older adults. Help children feel more comfortable in interacting with diverse populations. For our facilities' residents, providing them with opportunities to interact with children on a regular basis can improve their mood and provide a sense of purpose. We also realize that having children experiences in nursing facilities or assisted living might encourage them to pursue a career in long term care, which also is important. So on behalf of our members in the Chamber and those that they serve, we applaud Senator Wishart's vision for-- care. We're really grateful for the opportunity to support this effort, and we are here, again, in support, and be happy to answer any questions.

HANSEN: Are there any questions from the committee? Senator Hardin.

HARDIN: Thanks for being here.

JALENE CARPENTER: Yes.

HARDIN: Are you aware of any intangible benefits for older adults as they interact with children? What might they enjoy?

JALENE CARPENTER: Oh, absolutely. From our providers who currently offer intergenerational care, there is both direct and indirect emotional support that happens. So directly, if they're assisting with any of the children in an activity, obviously there's a sense of purpose and support, but also even just passively. If they're able to look out their window and see children playing outside, that can also bring them joy. So there's a, there's a wealth of benefit that come to our residents by having children on campus, whether they're interacting with them directly or passively.

HARDIN: We live in a somewhat transient society. I wonder how many kids across Nebraska don't live anywhere near Grandma and Grandpa who are in commercial childcare, or childcare in general.

JALENE CARPENTER: We don't have the numbers on that, but I'm sure it is many. I know me personally, my children didn't live near their grandparents until recently.

HARDIN: Thanks for being here.

HANSEN: Any other questions from the committee? Seeing none, thank you. Anybody else wishing to testify in support of LB1178? Welcome.

HOLLY HILL: Hi.

HANSEN: You may begin.

HOLLY HILL: Hello, Chairman Hansen and members of the Health and Human Services Committee. Thank you for help-- or letting me testify today. My name is Holly Hill, H-o-l-l-y H-i-l-l. I am the owner and director of Trucks N Tiaras Intergenerational Academy in North Platte, Nebraska. First, I want to thank Senator Wishart for her support of early childhood education. Intergenerational childcare gives children strong, positive role models that they interact with daily. These interactions are vital for developing strong communication skills, a sense of community, and a positive attitude towards aging. Learning alongside seniors will help children see beyond their years and their own small worlds. They understand more about life and discover many similarities between themselves and their grandfriends. This understanding and love lay out a foundation for celebrating diversity, a skill that they will use throughout their lives. Research also sees a mark improvement in later childhood development. In schools where older adults were in a regular fixture, children had more improved reading scores compared to their peers at other schools. Likewise, one study showed that when a child is mentored by an adult, they're are 46% less likely to begin using illegal drugs, 27% less likely to use alcohol, and 52% less likely to skip school. I have been in childcare for 11 years. The first 9 years I was a family childcare provider, and the last 2 years I have been a center owner. I have always wanted to have a childcare center, but never could find anything that was exactly what I wanted, and purchasing an already existing-- in October of 2021, I was approached about purchasing an already existing intergenerational center. The building in which the center was located was once the all-timer [SIC] unit and held childhood memories of mine

and my grandmother's. I spent most of every Sunday afternoon with my grandmother. Her favorite thing was to talk about babies. The room she called home for many, many years is what is now called baby A. It is where our 6 weeks to 9-months-olds are. So there is many signs that this was definitely meant to be. Our center sits on Linden properties. It's centered in the middle of Linden Estates, the assisted living program, and Linden Court, the nursing home and memory support, with a child-- with a sidewalk access to each facility from our center. Being able to be a part of these intergenerational relationships has been so fulfilling. We enjoy going over for visits, whether it's making cards with the residents, having costume parties, or making a craft with them. In our partnership with Vetter properties, we have a low-cost rent. In return, we're able to give their employees a discounted rate in childcare. This partnership is not only between adults and the children, it's community wide and helps our community in so many ways. With the funds that LB1178, it could potentially help a program like ours add additional space, being able to have more to have our friends from Linden come to our program and volunteer. Having additional space would also increase how many more employees and members of our community's child-- children we can serve. Having access to more funding could also help purchase materials to help with the needs of both Linden residents and the children in the care of Trucks N Tiaras Intergenerational Academy. Anybody have any questions?

HANSEN: Thank you. Are there any questions from the committee? Yes, Senator Hardin.

HARDIN: It sounds like you are trucking the kids there. Is that how your model works? Or, or do the-- or do the senior adults come to your center?

HOLLY HILL: We go to each one of their centers--

HARDIN: OK.

HOLLY HILL: --or to their facilities.

HARDIN: Do you have an, an opinion in terms of which direction may work more ideally? In the, in the-- because there's probably going to be a lot of transitionary--

HOLLY HILL: Right.

HARDIN: -- because of things that may happen here.

HOLLY HILL: In the future, I would love to see that we were able to bring them into our facility.

HARDIN: I see.

HOLLY HILL: I guess it's-- the big thing is what we have to do with dealing with DHHS and, like, background checks and-- I mean, they can come into our facility as volunteers, but they can't really be that hands-on. So finding a way to get between that barrier, I guess, would be the best part.

HARDIN: A different lane of questioning. How much do kids benefit from storytime?

HOLLY HILL: A lot.

HARDIN: Can you unpack that for me? How much is a lot?

HOLLY HILL: I would say that, like, research shows how much reading to children and the interaction that it comes with those elderly. It's, it's very beneficial. I mean, it's one of their favorite things.

HARDIN: Do teachers have to do lots and lots of stories throughout the day normally?

HOLLY HILL: Do teachers?

HARDIN: Do teachers have lots and lots of time for that?

HOLLY HILL: I can speak for my own teachers. And it's, it's definitely something that I make sure happens a lot through our day.

HARDIN: I'll ask a different question. Would they have more time if perhaps--

HOLLY HILL: Yes.

HARDIN: --someone else did more one on one?

HOLLY HILL: Yes, absolutely. It would-- I guess that is something that I saw in my dream world when I purchased the facility, as something that we could bring those residents in. You know, COVID has really put a damper on-- you know, like I said, I bought it in 2021, so it was right at the tail end of the big COVID thing, and we are still running into that. I mean, we had a big Christmas program planned for the residents. They had a COVID outbreak the day before, so it like

dampered in those plans. But, you know, like getting around that, I mean--

HARDIN: Now you mentioned a little bit ago that DHHS-- and sometimes they rain on all of our parades. You were talking about hands on. Would there be a conflict in the hands-on piece if senior adults were to have closer interaction with children as things currently stand, when it would come to things like stories and early childhood literacy, that sort of thing. Do you have a perception on that?

HOLLY HILL: As long as they're not left alone.

HARDIN: As long as they're not left alone.

HOLLY HILL: Like as long as they're, you know, in a volunteer state.

HARDIN: As long as there is a lead teacher in the room, and so forth.

KIERSTIN REED: Yeah, as long as-- I mean, because, I mean, you have multiple different, like, programs coming into our program, I mean, firefighters and police officers, and you know, we have different people that come in all the time that aren't necessarily, you know, background checked for a childcare center. So, I mean, having them come in as a volunteer isn't necessarily a big deal as long as they're not left alone.

HARDIN: Thank you.

HANSEN: Senator Riepe.

RIEPE: Thank you, Chairman Hansen, and thank you for being here.

HOLLY HILL: Thank you for having me.

RIEPE: You came in from North Platte. That's reflective that you have a real commitment to the concept of how seniors and infants can benefit one another. Now, what I gathered from, I think, your presentation, you're geographically remote. You're not on the same property.

HOLLY HILL: We are on the same property.

RIEPE: You are on the same property. Are you building connected?

HOLLY HILL: We are not. So the assisted living is on one side of us, and then there's a parking lot. And our facility is what was the

memory support of Vetter properties. But it is now connected with the nursing home that sits in the back of our property. So it's accessed through a-- like, a long sidewalk.

RIEPE: That's not connected by a sidewalk, not by a walkway.

HOLLY HILL: A sidewalk. Yeah.

RIEPE: [INAUDIBLE]. OK. So would that enhance the program if they were more closely physically integrated, where the elderly people could, you know, hear the children, see the children, maybe more on a-- not on a planned basis, but on an informal basis. I'm just--

HOLLY HILL: Yeah. I mean, I could see the-- that that would be a great benefit. You know, I mean, in the ideal world, that you could just build a facility. Yeah. Absolutely.

RIEPE: I'm just-- I'm just trying to look at what would be if you had a marble that you really wanted to, to try to test and say-- and what's worked and what's-- in a literature search, what's worked and what nots-- not worked.

HOLLY HILL: Right.

RIEPE: I'm just curious on that. But anyway, I appreciate you being here.

HOLLY HILL: Thank you.

RIEPE: And thank you for your commitment. Thank you, Chairman.

HANSEN: I got one question since you're here. What's your thoughts on fingerprinting? Have you had any issues with that at all?

HOLLY HILL: I'm going to oppose on that question. It's-- I mean, it's a lot better. I can really say that fingerprinting, it has been-- it's-- the turnaround rate has completely increased on-- I mean, a year ago, it was somewhere between 6 to 8, sometimes 3 months. Now, it's-- I mean, I don't see any longer than like, I would say 14 days. Sometimes, the turnaround rate is within 24 hours.

HANSEN: OK.

HOLLY HILL: It's something I'm very pleased with.

HANSEN: Yes.

HOLLY HILL: Yes. As a childcare owner, it's, it's a lot better.

HANSEN: And it's a consistent thing I've heard among childcare owners.

HOLLY HILL: I'm sure you have.

HANSEN: Yeah. [INAUDIBLE] how this process is going. And see-- we were always trying to make sure we do the best we can to make sure we're, you know [INAUDIBLE].

HOLLY HILL: And we appreciate it. It's, it's-- definitely helps us with staffing, when we already are living in a world that's so hard to staff a facility like ours.

HANSEN: That's good to hear. Any other questions? Seeing none, thank you for coming to testify.

HOLLY HILL: Thank you for having me.

HANSEN: Anybody else wishing to testify in support?

KIERSTIN REED: Good afternoon, Chairman Hansen, members of the Health and Human Services Committee. Thank you for allowing me to testify today. My name is Kierstin Reed, that's spelled keeper K-i-e-r-s-t-i-n R-e-e-d. I serve as the president and CEO for LeadingAge Nebraska. LeadingAge is a nonprofit membership association that focuses on providing education, advocacy, and collaboration among long-term care providers. I'd like to thank Senator Wishart for her support to address childcare challenges, as well as the challenges of our nursing homes and assisted living communities with this innovative solution. This important legislation provides an opportunity for long-term care communities to improve the lives of older adults that they support through meaningful connections, and will also support the bottom line of the use of their space to provide childcare. A study from the University of California, San Francisco found that 43% of seniors report feeling lonely. That correlates to 59% higher risk of decline in health, and a 45% higher risk of death. Loneliness is not just an emotional condition, it's a health hazard. In recent years, we've become increasingly generationally segregated in our society. Participation in intergenerational programs and meaningful cross-age relationships has been shown to decrease social isolation and increase older adults' sense of belonging, self-esteem, well-being, while also improving their social and emotional skills of children. A study at Stanford showed that aging adults are one of the best groups to spend time with young children. Older adults are exceptionally suited to

meet the needs because, in part, they are welcoming the meaningful, productive activities and they want the engagement. Intergenerational programming also allows adults with dementia to be able to teach children things that they still know how to do, such as folding a towel, categorizing items by color or shape that would normally be considered too meaning-- meaningless for anyone else to do. Young children support older adults with dementia because they live in the moment. Children don't ask adults the tough questions that they're unable to answer that make them feel uncomfortable or insecure in everyday conversations. This grant opportunity allows assisted living and skilled nursing communities to complete the necessary preparations in order to have a childcare center in their space. Facilities involved in this grant project are providing Medicaid and Medicare services, so the bill also covers the identification of statutes, rules, regulations, and other regulatory barriers, both on the childcare side as well as the nursing home side, that may impede the development of the intergenerational facility model. Leading Age looks forward to participating in those discussions with DHHS and the recipients of these grants. As you will hear from other testifiers today, this does already exist in communities across Nebraska. However, we are sure that there are barriers that are in place that are preventing this from making it easier. Supporting our senior care communities to utilize their space for childcare centers will make a significant difference in these communities by addressing important infrastructure for families and while ensuring quality care for older adults and children. LeadingAge Nebraska appreciates the continued efforts of Senator Wishart to address this issue and make improvements to the proposed legislation, to make it possible for seniors and children to have quality care. Thank you for the opportunity to testify today, and I'm happy to answer any questions.

HANSEN: Thank you. Are there any questions from the committee? Senator Hardin.

HARDIN: Can you comment on safeguards that might be helpful for the senior side? For example, would it be possible that an older person might reach down and try to scoop up a child and that darn back or that trick knee decides to show up at the wrong time? What, what kind of safeguards would need to be there, both for the children as well as for the adults? What kind of things can we anticipate and make good decisions about on the front end of this?

KIERSTIN REED: Sure. That's a great question. I'm sure that the childcare ratios would still need to be in place. So that's going to

mean that there's going to be supervision for children, as well as for those older adults that are receiving services, whether it's assisted living or skilled nursing services. There's going to be a level of supervision on both sides of this. The intergenerational programs that I've seen, Tabatha here in Lincoln used to have a program like this, and there were engagement of opportunities on both sides. And there were lots of safety nets. You know, what-- we didn't see older adults that were in services going and, you know, just scooping up a kid off the floor, those kinds of things. We didn't really see that happening. It was more the childcare staff and the senior care staff working together to develop those collaborations of meaningful activities, like the sorting shapes or those kinds of things that were going to be beneficial on both sides.

HARDIN: Great. I appreciate that. Thank you.

HANSEN: Senator Riepe.

RIEPE: Thank you Chairman. I had a quick question. I picked up a little bit. You said Tabitha had.

KIERSTIN REED: Yes.

RIEPE: I'm just curious. Like, you can-- why did they walk away from it? Or did they?

KIERSTIN REED: Boy, it was set up as a model that was actually not connected to their nursing home. It was a day program, so it was a day program for adults that needed adult day support, as well as children that needed daycare. That model, I think the, the downfall of that was probably that the cost of providing those services was much higher than the reimbursement for the--

RIEPE: For both sides.

KIERSTIN REED: -- day service. Yeah. The childcare was always full and the day service was always having, having a lot of difficulty. So this is a little bit different because we're saying putting it in a nursing home or an assisted living program.

RIEPE: You have a captive audience.

KIERSTIN REED: What?

RIEPE: In a nursing home, you pretty much have a captive audience.

KIERSTIN REED: You do, yes. Yeah. And they're eager. They love, they love when kids visit.

RIEPE: They're looking for some contact with the outside world.

KIERSTIN REED: We-- back to Senator Hardin's point, we have become increasingly isolated and generationally isolated. Kids don't live next to their grandparents anymore. They don't get to spend weekends with them. So this is really meaningful on both sides.

RIEPE: I just was curious whether there was more to that story. When I heard the word "had" kind of struck me a little bit. Thank you, Kierstin.

KIERSTIN REED: It was a beautiful program.

RIEPE: Thank you. Thank you. Thank you for being here.

KIERSTIN REED: Yeah. Thanks.

HANSEN: Seeing no other questions, thank you. And we'll take our next testifier in support of LB1178. Welcome.

JINA RAGLAND: Good afternoon, Chair Hansen and members of the Health and Human Services Committee. My name is Jina Ragland, J-i-n-a R-a-g-l-a-n-d, here today testifying in support of LB1178 on behalf of the AARP Nebraska. We live in a society where care of young and old is increasingly segregated, with very limited opportunity for the 2 age groups to interact. The epidemic of loneliness and social isolation among the aging isn't just an emotional travesty. It has been declared a global up and epidemic amongst the older population of adults by the U.S. Surgeon General. Studies show that regardless of where someone resides, isolation significantly increases a person's risk of premature death from all causes, a risk that may rival those of smoking, obesity, and physical inactivity. It's associated with a 50% increased risk of dementia, 29% increased risk of heart disease, 32% increased risk of stroke, as well as higher rates of depression, anxiety, and even suicide. Research shows that intergenerational shared sites increase the health and well-being of young and older participants. A recent Harris poll commissioned by Generations United and the Eisner Foundation poll, found that nearly all Americans believe older adults and children have skills and talents to help one another, and that 85% would prefer a shared site that fosters intergenerational connection over an age-segregated facility if they or a loved one needed care. Workforce shortages and attracting and

retaining quality staff continue to plague our state and the healthcare industry. Implementing these care sites that burden to lessen-- excuse me. Implementing these care sites that burden to lessen, because employees can easily meet their own family caregiving needs by having a safe and reputable place for their children to go while they perform their work duties. Other benefits include greater job satisfaction among staff, improved recruitment and retention, and happier families of residents. Most importantly, consistent and regular staffing also trickles down to consistent and better quality care for residents residing in facilities. Aging adults are one of the best groups to spend time with young children, not only because they can pass down on decades of wisdom, but also because they are at a point in life when they can provide that stimulation that young children need to thrive. They seek and need purpose in their lives. Reading, singing, dancing, acting, playing games and just plain person to person interaction. Not only are they stimulating their own brains, but they're also teaching and stimulating a young child's brain, as well. Think about when a child touches the hand of someone who has been withdrawn and may no longer be verbalizing or speaking. That simple touch suddenly makes the person alive. There's something about having children on site which makes residents feel more human and gives them permission to care about others. It boosts their confidence and feelings of self-worth. It gives them something to look forward to. Many people with dementia thrive in this environment. When children are present, a physical change exists. Residents become more alert, smiling, present and happy. Intergenerational connections may not be the only solution for loneliness and social isolation, but the evidence is vital. They not only help improve quality of life, but also help reduce the harmful effects of ageism. Participation in intergenerational programs may decrease social isolation and increase older adults' sense of belonging, reduced agitation, improved health, and overall increases in self-esteem and well-being. Children are the world's future, but that doesn't mean we should remit older generations to the past. The future of aging can be bright if we find ways to bring our oldest and youngest together for the betterment of our communities. It's not just a nice idea, it's necessary. Thank you to Senator Wishart for her ongoing work on this, as well as to Senator Howard for continuing to beat the drum. This is important legislation and I do appreciate the opportunity to comment. We would encourage your support and the advancement of LB1178 to General File. I would be happy to answer any questions.

HANSEN: All right. Thank you. Are there any questions from the committee? Senator Riepe.

RIEPE: I have one quick one. Thank you, Chairman. My question would be is there any concern with the, you know, normal childhood diseases? I mean, kids get runny noses and everything else in terms of-- I don't know how high-risk elderly might-- the connection there, whether that's--

JINA RAGLAND: Yes, Senator, I think that--

RIEPE: --how dangerous that might be.

JINA RAGLAND: Sure. I mean, I think that's the world we live in now. And you walk into any fac--

RIEPE: What? Runny-nose kids?

JINA RAGLAND: Runny nose kids. Yeah, you name it. No, I, I think just the spread of disease and that in general. But I know facilities do a very good job, too, about checking people at the door, you know, if there is maybe an outbreak or something that's going on. Clearly, I think-- I, I think that the facilities do a good job of being cognizant about in-- infection control. I think the same thing-- side on-- with children's-- the facilities there. I-- you know, obviously, if there's something going around, I know facilities close off visitation, that sort of thing.

RIEPE: Yeah. Fair enough.

JINA RAGLAND: I mean, I think we leave it up to them to make those choices and decisions. They do have infection protocols they have to follow, you know, with CMS and that sort of thing, too, as well as with the department. So I think it's, it's a real concern, but I also think, again, that's the world we live in. And I do think facilities and childcares do the best that they can to, to protect not only the residents but the public, as well.

RIEPE: OK. Thank you. Thank you, Mr. Chairman.

HANSEN: Seeing no other questions, thank you very much. We'll take our next testifier in support.

SARA HOWARD: OK.

HANSEN: Welcome back.

SARA HOWARD: This is my second to last time. I'll be super duper fast. I love seeing you guys. OK. Chairman Hansen and members of the Health and Human Services Committee. Thank you for allowing me to testify today. My name is Sara Howard, spelled S-a-r-a H-o-w-a-r-d, and I'm a policy advisor at First Five Nebraska. First Five Nebraska is a statewide public policy organization focused on promoting quality, early care, and learning opportunities for Nebraska's youngest children. My position at First Five Nebraska is focused on the area of maternal and infant health policy, because we know that healthy moms and babies are critical to ensuring the long-term success of children in our state. I'm here to testify in support of LB1178. And first, I want to thank Senator Wishart for bringing this bill. She's been really committed to innovative solutions to childcare. It's not just about subsidy. It's not just about money. It's about how do we innovate around childcare, and so that's what LB1178 definitely does. I'm going to take some of us back to 2020. So LB1051, Senator Wishart introduced this idea in 2020. And she introduced the bill on February 19 of 2020, and we went out of session on like March 11 or 12. And so this committee actually didn't have the opportunity to send that bill out, because we were just like, working fast and furious. We knew something bad was happening. And then when we came back in August for that 3-week like, turn it and burn it session, we were not kind of focused on some of these bills that, that are these lovely feel-good bills. I think LB1178 makes you feel good. We were really focused on like, YRTCs, COVID, a lot of other, sort of major pieces. And so, LB1051 kind of fell by the wayside. So I was actually like super excited when Senator Wishart was like, yeah, let's do this one again. So I will just give you the stat that I think about a lot, around childcare, is that since 2019, we've lost about 12% of our childcares in the state of Nebraska, which is really critical. Because when you think about it, 3 out of 4 children in the state of Nebraska have both parents working. And so childcare is truly a workforce issue. OK. With that, I'm going to try to answer some of your questions if I can. I was trying to keep track. I was taking notes. You saw me taking notes. OK. I'm going to start with the licensure issue because I think that's, that's kind of the crux of it. First off, I will say we already have intergenerational care facilities. You can see on the little handout. I made you a map. There are 9 of them. Three of them, I know, for sure, are actually housed in the same building. So that's Fair-- Fairview and Fairmont, Imperial, and Adams are all housed in the same building. Because at the core of it, an intergenerational

care facility is about sharing those costs. The kitchen, the admin, you can share costs, and, and sharing those activities. So it's not necessarily we're on top of each other every day. It is that we are sharing, sharing space together, and sharing those costs. So on the CMS side, there actually isn't a licensure issue. We, we-- because they are sort of separate facilities. They are licensed separately. They generally have to require a door that separates them. But as long as you have that clear door and that locked door, you are fine. On the childcare side and similar to what Holly mentioned in North Platte, if they're going to be there every day, you're going to need to do that background check. And thank you for asking about background checks if you guys are curious. LB898 was heard in the Judiciary Committee this afternoon. It's Senator Ibach's bill. It's a very nice bill, if anybody's wanting to co-sponsor it. But the fingerprinting issue is one that's top of mind. But obviously, we wouldn't have the expectation that the, the members who live in the nursing homes or the assisted living facilities would be in the childcare facility every day and performing work. It's more about sharing that activity and that space together. OK. There are 4 other states where there have been extensive studies around intergenerational care facilities, Senator Ballard, to your question, and that's Ohio, Wisconsin, Oregon and Washington. So they've actually like, encouraged their intergenerational care facilities and studied them. No other state that I know of has done like, a grant program that's, that's specifically like this one, which is we're going to help you with the start-up costs. We're going to help you with the build out. And that's really what you need. If you're like, I'm going to put a childcare facility in a nursing home, the first barrier is that it looks like a nursing home, feels like a nursing home. We need to build it up to make it feel like a childcare facility, put slides and an activity center outside. So the facilities piece, I think, is what makes this bill very, very unique. Background checks. I did it. OK. The last thing I'll say, because I am a "Swiftie," that I do hope that you will move this bill forward so that we can be in our intergenerational care "era." There, I said it. And I'm happy to answer any questions that you might have for me.

HANSEN: Thank you. It's too much Taylor Swift for me for one day.

SARA HOWARD: It's twice. It's 2 times. It's just the right amount.

HANSEN: I'm going to get emails for that one.

SARA HOWARD: You are. It's very dangerous.

HANSEN: OK. Yes, Senator Cavanaugh.

M. CAVANAUGH: Well, you just made my day with the Swiftie reference, so thank you.

SARA HOWARD: You're welcome.

M. CAVANAUGH: But I-- not germane to this, but I just wanted to acknowledge that today we moveD forward LB605, which former Senator Sara Howard had brought forward numerous times, to make art therapists licensed. And it was amazing. And it was Senator Albrecht's bill.

SARA HOWARD: She did a really good job.

M. CAVANAUGH: And it was a real labor of love. So I-- it came to mind when you talked about the iterations of this bill and coming forward, and just wanted to thank you for your work on that, and to you and Senator Wishart for your work on this.

SARA HOWARD: Yay. Thank you. I was joking with somebody that art therapy is going to be able to vote. It's like such an old issue. it's-- now, now you moved it, so it-- it'll be fine. Awesome. OK. Senator Hansen. Sorry.

M. CAVANAUGH: Maybe, maybe Taylor Swift will become an art therapist.

HANSEN: Oh, geez.

SARA HOWARD: You never know. That's the third one. Fourth.

HANSEN: Yep. Any--

SARA HOWARD: He's going to kick one of us out.

HANSEN: --any other questions from the committee? Thank you for coming.

SARA HOWARD: Thank you for having me. One more time, and then I'm out of here.

HANSEN: All right.

SARA HOWARD: All right.

HANSEN: Anybody else wishing to testify in support of LB1178? Anybody wishing to testify in opposition to LB1178? Anybody wishing to testify

in the neutral capacity to LB1178? Seeing none, we welcome back up Senator Wishart to close. And for the record, we did have [INAUDIBLE] get this right-- 4 letters for the record, all in support.

WISHART: OK, well, thank you, Chairman Hansen and members of the committee. Just a couple things in closing. You know, when COVID did hit, I was particularly concerned about the senior living facilities in, in Lincoln, and how isolated individuals were. And so, actually, my girlfriends and I took our horses, trailered them down, and rode around to all of the windows of some of the local nursing facilities to connect with the residents there. And we were met with people who were like, brought to tears from having that connection, especially since they were so isolated at that point. And so, I got a little glimpse of the opportunity that someone could have if they had so much more of the community, especially kids, engaged with them. I think it is so important for us, as a society, to slow down at the pace of individuals who are getting older and, and in facilities that keep them from being able to engage with the outside as much as they used to, because they do have a lot of knowledge and experience. And I talked to people that day through their windows, and they were veterans, and people who had been married for 50 years, and just incredible things that kids should get an opportunity to be around. And so this is, this is that opportunity for us to incentivize that. The second thing I'd say is I will work, and I've talked to Senator Hansen about this, I will work to find a, a way to look at some nongeneral funds, see if there is a way in our budget to be able to handle this startup cost 1 time, without impacting general funds. So I'll try my hardest on Appropriations to look and see if there's an opportunity for that, because I don't want the cost of this to, to get in the way of an opportunity for us to do this this year.

HANSEN: All right. Thank you. Any other questions from the committee, just to make sure? Seeing none, thank you very much. All right. That'll close our hearing for LB1178. And we will open it up for LB932, and welcome Senator Fredrickson to open. Welcome.

FREDRICKSON: You ready?

HANSEN: It's all yours.

FREDRICKSON: All right. Good afternoon. Thank you, Chair Hansen and members of the Health and Human Services Committee. For the record, I am John Fredrickson. That's spelled J-o-h-n F-r-e-d-r-i-c-k-s-o-n. I represent District 20, which is in central west Omaha. I am happy to

be here today to introduce LB932. And I'm going to be honest, LB932 is one of those bills where I feel like the last 72 hours have been very exciting. And we have new amendments and news to share on this, so stay tuned during this intro. There's a lot of information to share here. So, LB932 is a bill that will-- the goal of it is to remove administrative delays for mental health practitioners to receive provisional licenses. This will allow them to move more quickly into our behavioral and mental health workforce. So specifically, LB932 ensures that qualified applicants shall be provisionally licensed as a mental health practitioner upon application and payment of the fee. If the board finds that any provisional mental health practitioner has failed to comply with the qualifications set forth in statute for the provisional license, that license shall be-- then be rescinded. A provisional mental health practitioner license shall transfer to a mental health practitioner license upon completion of the requirements described in Section 38-2122, and shall expire upon receipt of licensure as a mental health practitioner or 5 years after the date of issuance, whichever comes first. So you may recall that this issue came up during the interim hearing on LR202, that was before this committee this past fall. We heard that applicants had been waiting for as long as 6 months to get their provisional licenses. This is a big problem because these applicants are not able to practice until those provisional licenses-- licensure is approved. Following the hearing, I met with DHHS and understood that there were 2 things that were had-- were contributing to this problem. One of the contributors was related to staff changes. The other was related to the expiration of an executive order that was issued by then-Governor Pete Ricketts, in early 2020, related to the pandemic. That executive order allowed for a more seamless process of pro-- provisional licensure during the pandemic, but that executive order expired in June of last year. So LB932 sets forth provisions that would recreate processes that were in place during the pandemic and expedite the issuance of these provisional licenses. So, this is where the tables turn a bit. So DHHS has since brought to my attention that they may have a better model for addressing this problem. There is a process that is currently in place that the department uses for dentists, to help speed up the issuance of their provisional license. This process appears to be a good model for what we are attempting to achieve with mental health practitioners, as well. In fact, the model can be applied to all professions under the Credentialing Act. This morning, I received potential amendment language from DHHS that would allow individuals in all of these professions, including mental health practitioners, to file their application up to 90 days prior to the applicant's

graduation from the required course of study. I've handed out the marked-up version that DHHS gave to us, which strikes my original language and adds their new language in another section. Other stakeholders my office have spoken with are also amenable to this potential solution to the problem. As I continue to work with the department and other stakeholders on final resolution, I would ask that this committee to hold off on any immediate advancing of this bill. I will be having an amendment drafted for this committee to consider. The conversations we have had have been productive, and I want to thank the department for working with us. It's clear to me that we all recognize the issues in our-- and all share the desire to get mental health practitioners and other professionals out into the workforce as soon as possible. As we compete with our neighboring states for workers, licensing processes need to be in place that incentivize people to stay and work in Nebraska, particularly in fields like mental and behavioral health, where there are workforce shortages throughout our state. In closing, as I said, I would ask that you hold the bill and allow me some time to work with the department to develop an amendment for this bill. With that, I am happy to answer any questions.

HANSEN: Thank you. Are there any questions from the committee? Senator Riepe.

RIEPE: Thank you, Chairman Hansen. I, I simply would like to compliment you, Senator. You've been relentless in terms of working to make this a bigger and better bill, as it goes. And so--

FREDRICKSON: Oh. Thank you. I appreciate it.

RIEPE: Congratulations to you. Thank you.

FREDRICKSON: Thank you.

RIEPE: Thank you, Chairman.

HANSEN: All right. Seeing no other questions, are you going to stay and close?

FREDRICKSON: I will be here to close.

HANSEN: All right. We will see you then. We'll take our first testifier in support of LB932. Welcome.

LORI SCHARFF: Hello. Chairperson Hansen and members of the Health and Human Services Committee, my name is Lori Scharff, L-o-r-i S-c-h-a-r-f-f, and I am here today on behalf of the Nebraska Association of Behavioral Health Organizations. I am also a director at the Boys Town Residential Treatment Facility, and a proud licensed mental health provider and social worker for nearly 20 years. We would like to start off by thanking Senator Fredrickson for introducing LB932, which will expedite the provision-- provisional mental health license process. In November 2022, the U.S. Department of Labor launched Mental Health Matters, a national task force on workforce mental health policy. One of the principles addressed by that task force discusses the need to remove barriers to entry into the mental health and behavioral health workforce by identifying and addressing licensing challenges. For Nebraskans, LB932 is our opportunity to do just this. Currently, to apply for a provisional mental health practitioner license, a person must have a master's or doctorate degree to include 300 hours of supervised direct client contact. Supervised hours in mental health practice includes the provision of treatment, assessment, and/or counseling to individuals, families, or groups for mental health treatment. The application requires an official transcript verifying the degree and coursework from an accredited program, such as the Council on Social Work Education, Council for Accreditation of Counseling and Related Educational Programs, or the American Psychological Association. This is not an all-inclusive list. A student must also submit an affidavit of their practicum that was completed as a part of their degree program. Said differently, it is no small feat to be qualified to apply for a provisional mental health license: Attending an accredited academic institution, supervision by a licensed mental health practitioner, transcripts, affidavits, practicums. That's a lot of checks and balances. With the high demand for mental health services, the need for mental health providers is higher than ever. The waitlists in both rural and urban areas continue to grow, so it is imperative that we find a way to decrease the wait time it takes for a qualified applicant to receive provisional license. This is a simple way to remove an unnecessary administrative barrier. As a supervisor of practicum students, I know the rigorous requirements necessary to successfully complete a mental health practicum. Doing things differently in 2024 and creating efficiency means being able to move a qualified student from an academic completion into immediate employment as a profess-- professionally-- provisionally licensed provider. I'd like to end with a practical example. As a hiring manager, we estimate annualized turnover for our licensed providers.

Based on this data, we developed paid practicums, which help build a pipeline of qualified applicants. We allow qualified applicants to apply for a clinical position prior to graduation, contingent on the completion of the required degree program. This on-the-job experience matched with oversights by a licensed supervisor and accredited academic institution provides sufficient, if not exceptional, information for a hiring manager to have confidence that the new hire is ready to perform the duties of a provisionally licensed provider. NABHO is very appreciative of the committee's time today, and we stand ready to improve Nebraska's healthcare. Thank you.

HANSEN: Thank you. Are there any questions from the committee? There are none.

LORI SCHARFF: OK. Thank you.

HANSEN: Thank you. I think we'll take our next testifier in support. Welcome.

DANETTE NOVOTNY: Good afternoon. My name is Danette Novotny, D-a-n-e-t-t-e N-o-v-o-t-n-y, and I work for Integrated Behavioral Health Services as a mental health therapist. I'm speaking on behalf of the Nebraska Association of Behavioral Health Organizations in support of LB932. We thank Senator Fredrickson for his leadership on this important issue. My education is in clinical mental health counseling, and I completed my graduate program requirements, including internship, in July of 2023. I was able to retrieve my transcripts and apply for licensure on August 15, 2023. At that time, I submitted the application, educational requirements, internship requirements, and the fees required for review. From that time on, I was not given a timeframe for receiving licensure, and was told I would be notified if there was anything missing-- any missing information, and/or licensure approval via mailed letter. While my wait was timely, only one month, I have yet to receive a letter confirming my licensure approval. I found out by daily checking the DHHS website, and did not receive a notification. I had peers who waited 45 to 90 days for their licensure, or more. During the waiting period for licensure, I was unable to provide individual therapy or group therapy services for clients, affecting both my employment and clients who I worked with during my internship. I was lucky to have had an internship experience where I was offered a long-term position, and they were willing to wait for my licensure. However, the interim time frame required other clinicians to offer counseling services, causing potential harm and turmoil for clients who I had built rapport

with. Some of my peers were unable to obtain employment until after receiving their license. Having graduated from a CACREP accredited university, which stands for Council for Accreditation of Counseling and Related Educational Program, licensure should be able to obtain following graduation, based on the high standards and expectations of the national education requirements and credibility of the program. If we can shorten the process by submitting the application and immediately able to go to work, the gap in services would have been shorter, offering access to services to those otherwise unable to maintain or receive counseling services, a benefit to both employers and clients in a field where there is a shortage of qualified clinicians. Regardless of where I have been able to maintain employment, my education or academia, work experience, and internship experience prepared me to be ready and qualified to work immediately through sup-- supervision, coaching, and work experience. My employer needed me to be ready to work. If the process was less lengthy, employers might be more willing to take a chance on internship and commit to future employment opportunities. Thank you for your attention and I'll be happy to respond to any questions.

HANSEN: All right. Thank you. Are there any questions from the committee? Seeing none, thank you very much.

DANETTE NOVOTNY: Thank you.

HANSEN: We'll take our next testifier in support, please. Welcome.

MAGGIE BALLARD: Good afternoon, Chairperson Hansen and members of the Health and Human Services Committee. My name is Maggie Ballard, M-a-g-g-i-e B-a-l-l-a-r-d, and I am here today on behalf of Heartland Family Service. We are in strong support of LB932, and would like to thank Senator Fredricksen for bringing this bill forward. Just want to say a few things. That as a community-based organization working with individuals to improve their mental health and or substance use, it is imperative that we have a timely licensing process. This process has become more time consuming, often taking months, leaving newly graduated and license-eligible staff without means to practice or serve individuals while their documentation goes through the licensing process. This not only impacts the clients that we meet that need services, but also has a strong financial impact on agencies that have hired individuals that are unable to practice until the board approves their application. If we can allow individuals that are el-- eligible for licensure to start working with clients immediately after applying for application, this will reduce the financial burden and increase

the number of clients that our agency can serve, and that are served across the state. So for these reasons, we ask you to vote LB932 out of committee and into law.

HANSEN: All right. Thank you. Are there any questions from the committee? There are none. Thank you very much. Anybody else wishing to testify in support of LB932. All right. Seeing none, is there anybody who wishes to testify in opposition to LB932? Welcome.

SUSAN MEYERLE: I'm a little too short for this chair. Good afternoon. My name is Susan Meyerle, and I am here-- excuse me-- spelled S-u-s-a-n M-e-y-e-r-l-e, and I'm here as chair of the Board of Mental Health practice, the board that oversees and advises the applications for licensed independent mental health practitioners, licensed mental health practitioners, social workers, marriage and family therapists, and professional counselors, those that are most impacted by LB932. According to Statute 38-126, it is the obligation of the Board of Mental Health Practice to govern and advise in a way that supports public protection. One of the concerns that we have with this particular bill is that it circumvents the process that's already been established for licensure in Statute 38-161. The applications are currently processed when they are complete. And those applications that are completed are processed in less than 10 business days. Those applications include: a description of the courses, the course transcript, a verification of the practicum with a signed affidavit from the practicum supervisor, and also a background check. Those policies were established-- those criteria for application for licensure were established in support of the obligation of the board to protect the public. Applications that are incomplete are referred back to the licensee to provide additional coursework verification, or address any other deficiencies within, within their application. It is these deficiencies that often create a delay in the issuance of the license. Do we really want applications with deficiencies serving Nebraskans? Consider this scenario of a license given under this current bill, without the amendment that was addressed earlier. So you happen to be seeing a provisionally licensed person who received a license under this bill. After they received their license, the board recommended to the department that the license be rescinded. You are the client, who no longer can see your provider because of deficiencies that were not addressed at the time of the application of the license. Talk about a discontinuance of care and a concern with public protection. What incentives would the applicant then have to address any deficiencies that were identified? Perhaps there was an oversight of a criminal background disclosure which might preclude

them from being licensed. And in the interim, they were seeing Nebraskans. Perhaps they were seeing you, or perhaps they were seeing your children. We are responsible to provide safe, effective care for Nebraskans and to protect the public. This bill, as originally drafted, does not protect the public. We would consider, as a board, the discussion of the amendment to propose to address the issuance of a license 90 days prior to graduation. I think this is a fair way to address those that are newly credentialed or seek to be newly credentialed so that they could obtain employment. That seems to be a responsible process. Unlike some of the experiences of the previous testifiers, both Ms. Schoff [SIC], Ms. Novotny and Ms. Ballard, who clearly have effective programs in place with working with practicum students, not all applications contain that high quality of practicum experience. And that is the obligation of the, the Board of Mental Health Practitioners, to verify that they have-- applicants have in fact received appropriate supervision, as each of those that testified in support of the bill identify as so critical to their program. So therefore, the Board of Mental Health Practice is asking you to not move forward LB932. I'll be happy to entertain any questions.

HANSEN: All right. Thank you. Are there any questions from the committee? I don't see any. Thank you. Anybody else wishing to testify in opposition?

TIMOTHY TESMER: Good afternoon.

HANSEN: Welcome.

TIMOTHY TESMER: It's an honor to be here again. Good afternoon, Chairman Hansen and members of the Health and Human Services Committee. My name is Dr. Timothy Tesmer, T-i-m-o-t-h-y T-e-s-m-e-r, and I am the chief medical officer for the Division of Public Health within the Department of Health and Human Services, DHHS. I'm here to testify in opposition to LB932, which will allow applicants the ability to become a provisionally licensed mental health practitioner upon application and payment of the fee. The department has met with Senator Fredrickson to discuss its concerns with the bill as written, and we are committed to finding a workable solution that addresses the following concerns. As written, LB932 creates a serious public safety concern by allowing anyone, even those knowingly not qualified or those with criminal convictions, to apply and begin identifying themselves as a provisionally licensed mental health, health practitioner, PLMHP. This person would be able to provide mental health services to the public without first having their

qualifications evaluated. The bill provides that if the Board of Mental Health Practice finds a PLMHP has failed to comply with the qualifications per statute, their license will be rescinded. Although the bill authorizes the board to rescind the provisional license of a mental health practitioner who fails to meet statutory requirements, the bill does not address the process for rescission. Most importantly, this is problematic, because the bill does not address how the public would be protected during the legal process of rescission. The rescission of a provisional license would be a lengthy process, because the licensee may have due process rights that would require specific procedures before losing the ability to practice. DHHS issues credentials to persons and businesses that provide health and health-related services for the purpose of protecting public health, safety and welfare. Standards have been established in statute and regulations to ensure the safe practice of these persons and businesses. Applications and supporting documentation are reviewed prior to issuing a credential. For DHHS to issue a provisional credential without first having determined that an applicant meets those standards, would pose a potential risk to the health and safety of Nebraska residents who need quality mental healthcare. Finally, this bill provides the transfer from a provisional license to a mental health practitioner license once a PLMHP completes certain requirements. DHHS is committed to working with Senator Fredrickson on streamlining this process. We respectfully request that the committee not advance the bill to General File as written. Thank you for the opportunity to testify today. I would be happy to answer questions on this bill.

HANSEN: Thank you. Are there any questions from the committee? Seeing none, thank you.

TIMOTHY TESMER: Thank you.

HANSEN: Anybody else wishing to testify in opposition to LB932? Seeing none, is there anybody who wishes to testify in the neutral capacity? Seeing none, we will welcome back up Senator Fredrickson to close. And before he does, we did have, somewhere in my pile of stuff, 4 letters for the record, all in support of LB932.

FREDRICKSON: Thank you. Well, thank you to the committee for listening to the bill. As I mentioned in my opening, I have no intention to ask for the bill to be advanced as originally written. I want to thank the Department of Health and Human Services. Actually, the amendment that I filed was, was written by them. So I hope that with that amendment,

we can all be in agreement with that. I do want to point out that, you know, the, the original bill was, was exactly the way that the department had been issuing provisional licensure during the pandemic. So some of the testimony that was expressing some concerns about that, I can appreciate it. But that has been the department's practice during the pandemic. And with the amendment, we're going to certainly address the issues that were expressed and certainly want to ensure the consumers are protected throughout. So, happy to answer any additional questions, as well.

HANSEN: Any questions? Seeing none. All right. Thank you.

FREDRICKSON: Thank you.

HANSEN: All right. That will close the hearing on LB932. We will now open the hearing for LB857, and welcome Senator Dungan to open.

DUNGAN: Thank you, Chair Hansen. Good afternoon, Chair Hansen and the Health and Human Services Committee. I'm Senator George Dungan, G-e-o-r-g-e D-u-n-g-a-n, and I'm introducing to you today my priority bill, LB857. Before I get started, I would like to draw your attention to AM2310. Does everybody have a copy of the AM in front of you, because that's what I'll be talking about today. If not, I have a copy that can also be handed out.

M. CAVANAUGH: It's in our shared drive.

HANSEN: Yep. It's in our shared drive.

DUNGAN: Why don't we hand out a physical copy, as well, just so we're all looking at the same thing. AM2310, which is being handed out to you, does replace the introduced bill and it's what I would be asking we move forward on. AM2310 is the result of months of work with the Department of Health and Human Services, MCOs and other stakeholders involved in this matter. In that amendment, you'll find tightened up definitions that better reflect what the intent of the bill was, and we've also removed a few provisions that were unnecessary and costly. The AM also clarifies that this is for prenatal care only and not postpartum care, but I'll speak more about that in a little bit. The fiscal note also reflects 18 months of care, but the AM only is for the prenatal time, which is estimated at about 6 months. We'll get more into this later. LB857 would create the Prenatal Plus Program within the Department of Health and Human Services. The purpose of the Nebraska Prenatal Plus Program is to reduce the incidence of low birth

weight, preterm birth, and adverse birth outcomes while also addressing other lifestyle, behavioral, and nonmedical aspects of an at-risk mother's life that may affect the health and well-being of the mother of the child. In Nebraska, our MCOs already currently offer a fairly robust package of prenatal services, and for that, we're all very thankful. LB857, however, would make certain that additional and necessary prenatal services eligible-- would be eligible for Medicaid reimbursements. Particularly, this would add up to 6 or fewer sessions or meetings with a nutritionist in order to help with diet during the prenatal period. And then also [INAUDIBLE], this program would provide for targeted case management, or TCM, to be reimbursed under Medicaid. A case manager would help coordinate between the expecting mother and other types of services best suited to their needs. Before I continue, I want to take a second to give you a little bit of background about kind of how we got here. LB857 really does represent the culmination of an entire interim's worth of work, trying to find a bill that I thought would be able to help mothers here in Nebraska and ultimately help babies. At the end of last session, I almost immediately started focusing on what we could do this session that would accomplish 2 different goals. One, be a bill that ultimately helps people and provides actual benefit for Nebraskans. And 2 was an issue that was representative of something that we could all agree on, something that brought us together, something that was bipartisan, nonpartisan in nature, that ultimately I think we could all agree on. So as I was doing that research and thinking about what fit that bill, ultimately ,what I landed on was one thing I think we can all agree about is we need healthy moms and healthy babies. And that became sort of the guiding light of what I was trying to figure out we could ultimately try to get done here in Nebraska. What's going to be helping us keep babies healthy and mothers healthy? So I started searching in other states to see what they've done in order to ensure access to prenatal services that ultimately have documented benefits. And I came across a program in Colorado which is conveniently called the Prenatal Plus Program. And in that program, there was a number of things that caught my eye. First of all, it's a Medicaid-based program that was implemented in the late '90s. So we have decades of data, hard data from the state of Colorado, that allows us to look at what the benefits are for the services they implemented. And in addition to that, it gave us a couple of different metrics we could look at to see if this was really working. So Colorado ultimately issued some reports in 2001 and in 2007 to make sure that this Prenatal Plus Program was beneficial. And I can provide the committee with more copies of that, but we can talk offline about that, as well. And the 2 things in those

reports that I thought were just incredibly impactful were 1, the services that were being implemented to help moms prenatally had a substantial and significant reduction on low birth weight babies. And the fact that they actually were able to see that benefit was huge. In addition to that, their own documented studies, in 2001 and 2007, demonstrated a systemic and ongoing cost savings. I believe the 2001 study, with regards to their Prenatal Plus Program, recognized for every dollar that was spent in the Prenatal Plus Program, there was a $2.48 savings net, for Medicaid. So they ultimately, in analyzing how much money Medicaid was spending on mom, saw a massive reduction. So both of those things caught my eye. So I started thinking about what we could do here. Now, the adverse birth outcomes like low birth weight, being the main one, have a multitude of negative effects. And I know I'm talking to the HHS committee. I probably don't have to explain that to you. But low birth weight leads to vision problems, respiratory complications, cognitive impairment, gastrointestinal issues, higher death rates, lower performance at school, all sorts of issues come from these adverse birth outcomes, specifically low birth weight babies. So we immediately said we should be doing something like this here, in Nebraska. Obviously, our Medicaid system is very different than Colorado. The Colorado program, when I dove into that, was very top down. It told people what to do, said that you have to go to X amount of meetings, you have to do this amount of services. You have to hire these people to be eligible for reimbursements on this, which I thought caused a big problem. And that's not how I wanted to do things here in Nebraska. So we began to partner with other stakeholders, talking to our friends, the MCOs, First Five, other individuals who frankly, know a lot more about the systems than I do, to see what we could do in Nebraska that was very similar. And we worked with DHHS over the interim, meeting with them multiple times, talking with the MCOs, and ultimately came up with the legislation that is before you in the amendment, which, again, is essentially the same as LB857, but with more definitional clarification and then a few extra little tweaks. The fiscal note is something I wanted to talk about as well, briefly, before we get into the testimony. The fiscal note before you reflects the bill as written under LB857. It does not reflect the amendment. The language of the bill, I think, caused some confusion in seeming to imply that these services would be available to moms, both prenatal and postpartum. Therefore, the entire term that it was being analyzed for was the 6 months being estimated for prenatal, along with 12 months postpartum. That was never our intention. And certainly the name, Prenatal Plus, implies this is intended to be a prenatal bill. And so we did ensure in the amendment

that it clarifies this is just the prenatal period of time. In addition to that, DHHS and their analysis did differ slightly from what the Fiscal Office had put in there. I won't dive into all the details yet. We might talk about it more in closing. But ultimately, the Fiscal Office did estimate slightly lower costs for things such as targeted case management. The reason for that is targeted case management is a term of art. And I think some of the testifiers who come up after me will do a better job of describing this. But targeted case management, as we intended, is, for lack of a better way to put it, an air traffic controller who has consistent contact with the mom. They know your history, they know your background, they know where you're coming from, and they can help direct you to other services. It is not meant to imply like an in-home case manager or something like that. So I think in the initial exploration of what the cost would be for that case management, it was viewed more as like developmental disabilities' in-home services, and that was never the intention. So the AM before you also has the definition of targeted case management, referring to the CFR, clarifying our intention for more of these in-house provider services that sort of direct you to other people, not somebody who is going to come into your home. That, I think, is reflected in some of the analysis that is different. Based on what is calculated in the fiscal note and taking out that postpartum-- I did the most math I've done in the last 20 years of my life over the last couple of days. My estimate-- so don't hold me to this. The Fiscal Office could do a better job-- is that adopting the amendment and appropriately accounting for the cost of the targeted case management, the impact yearly to the General Fund of Nebraska would be between $1.3 million and $1.7 million. That is a significant reduction than what I think is reflected in that fiscal note, but that's because the amendment has not yet been adopted. So I want to clarify, when we're talking about what this is going to cost Nebraskans for essential services, it's significantly lower than before you. So, I will wrap up. I can pontificate about this for a very long time, but we do have some testifiers who are coming in behind me, who I think will talk about a number of different areas that might clarify this for you. You're going to hear from Chad Abresch from UNMC, to talk to you about how Prenatal Plus has worked in other states, Dr. Ann Anderson Berry, from NPQIC, to kind of clarify to you what adverse birth outcomes are and what the stats are in Nebraska. You're also going to hear from ACOG, and they're going to discuss with you what the challenges for those adverse birth outcomes are and what additional supports could fix. You're also going to hear from the Catholic Conference to talk more about the moral issues of ensuring that we're supporting moms

during their pregnancy. You're also going to hear from Nebraska Right to Life, to talk about similar issues. You're going to hear from Nebraska Appleseed, and then finally, you'll hear from Sara Howard, from First Five Nebraska, to go into more technical questions, and probably answer those much better than I could. That being said, happy to answer questions for you now. And thank you for your time.

HANSEN: All right. Thank you. Are there any questions from the committee? Senator Day.

DAY: Thank you, Chairman Hansen. And thank you, Senator Dungan, for being here today. Can you just repeat the number-- the estimate you said, one more time, after the amendment would be adopted, for the fiscal note?

DUNGAN: Yes.

DAY: Is it $1.3 million to-- what was it?

DUNGAN: I think it'd be between $1.3 million to $1.8 million. And that's the Nebraska General Fund impact. So obviously, that's not accounting for the federal money that would also be put in.

DAY: Got it.

DUNGAN: The reason for that is I kind of extrapolated out from the fiscal note, how many visits they were anticipating for a pre-- prenatal term, for both targeted case management and nutrition counseling, factored in the costs that the Fiscal Department was estimating for both of those things, multiplying it by the number of moms that are estimated to have adverse birth outcomes based on the NHA's data as to how many babies born have neonatal codes assigned to them, and ultimately then, taking out the postpartum care and just estimating it for those 6 months during preterm or prenatal, rather. That's kind of where I got to that $1.3 to $1.8, depending on how much targeted case management is. I'd also like to highlight briefly that that is the hypothetical maximum amount. That's assuming that every mom who's eligible for these services, and I hope they do, takes advantage of them. But we know obviously not everybody takes advantage of that. And those who do decide to take advantage of those programs don't always go through the entire course. Right. So if you go to 1 month of nutrition counseling, you may not go to the next 5. And so, I think the number that we're looking at here is a ceiling. And that's important to keep in mind, as well.

DAY: Great. Thank you.

HANSEN: Any other questions? Seeing none, I'm assuming you're staying to close?

DUNGAN: I will.

HANSEN: OK. All right. We'll see you at close. And just a note for everybody. In the essence of time, since we have a number of testifiers, we will go after 3 minutes for testimony for each person here. So. Close to 3 minutes, anyway.

REBECCA WELLS: Good afternoon, Committee.

HANSEN: Welcome.

REBECCA WELLS: I'm Rebecca Wells, R-e-b-e-c-c-a W-e-l-l-s, and I'm jumping in because I want to say what I'm going to say, and then we'll let these other people go ahead. I was thrilled to see this and jumped on to it. I'm here representing myself. I have a background as a certified nurse midwife. I spoke before you last fall. And I was very much against the abortion ban. I guess my big concern, I'm very concerned about babies, but I'm concerned about mothers. And what I was so thrilled to see with this, was that it went up to the first year. And yes, Nebraska has a big problem with low birth weight and preterm births. They have a D-minus from the March of Dimes in 2023. Their rate has jumped up. It's 11.3% preterm births, the highest in 10 years. But guess what? And this would be a wonderful program. And I was so thrilled to see the mental health. And I thought, oh good. Because guess what? Maternal mortality is a huge problem. It's worse than infant mortality. Infant mortality, in this country and Nebraska, is kind of a little up and down. Maternal mortality has jumped up in the last few years, particularly. It has really jumped up in states that have put abortion restrictions. And I don't know if you all realize, and if you've been mothers, you know, having a baby is so stressful. Women that have any mental health issues-- and mental health issues are huge. They've really gone up with the pandemic. Once they have a baby-- a lot of it is lack of sleep. A lot of women with mental health issues have more unplanned pregnancies. In the past, they might have terminated a pregnancy with a serious mental health issue or with a substance abuse issue. And now they, they can't. And the biggest risk of suicide, which is estimated to be about 20% of maternal death, and we're talking that first year afterwards, which now is what they're looking at instead of the first 42 days, 20% due

to suicide. The biggest suicide risk in mothers is between 9 and 12 months after birth. So we really have responsibility. And I am disappointed to hear that we're cutting it. And, and also, you think of the care of the infant. Women that are stressed, how are they going to be coping and caring for a child at a critical time for their later development, in that first year? So I think it's a wonderful bill. I liked it the way it was written, and I'm disappointed to hear it's ending at delivery. Thank you. Do you have any questions for me?

HANSEN: All right. Thank you. Are there any questions from the committee? Yes, Senator Cavanaugh.

M. CAVANAUGH: Thank you. More of a clarifying point.

REBECCA WELLS: Yes.

M. CAVANAUGH: Thank you so much. We actually did pass Medicaid postpartum coverage last year.

REBECCA WELLS: I saw that. I saw it.

M. CAVANAUGH: And, and it has been adopted, up to a year. So we do have that important coverage that you're referring about.

REBECCA WELLS: I was so happy to see that. Now-- and I'm--

M. CAVANAUGH: This is a-- this is covering--

REBECCA WELLS: -- hoping-- does that still-- does that cover mental health visits, too--

M. CAVANAUGH: It absolutely covers mental health visits.

REBECCA WELLS: --and everything? Good. Excellent. Well, I feel better.

M. CAVANAUGH: Senator Dungan's bill is, is more specific to the, the needs, prenatal--

REBECCA WELLS: OK.

M. CAVANAUGH: --that are going unaddressed, of nutrition.

REBECCA WELLS: OK. OK.

M. CAVANAUGH: But thank you for your vigilance and your testifying.

REBECCA WELLS: Thank you. I had seen that bill, and I didn't have a chance to get here and talk to you about it. I'm so glad. I hadn't checked to see what happened. I was going to do that. Thank you so much.

HANSEN: All right. Thank you for your testimony. We'll take the next testifier in support of LB857. Welcome.

CHAD ABRESCH: Good afternoon, Chairman Hansen and members of the committee. My name is Chad Abresch, that's C-h-a-d A-b-r-e-s-c-h. I'm chairperson for the Department of Health Promotion at UNMC and senior advisor for CityMatCH, which is a national maternal and child health organization. Today, I'm testifying as an individual, and my position does not represent that of UNMC. I'm here today to voice my support for LB857, which would bing-- bring empowering Prenatal Plus to Nebraska. I've been involved with Prenatal Plus nationally, for over a decade in both Colorado and Florida. Now, to state the obvious, Colorado and Florida are 2 very different states. Their politics, populations, and healthcare systems differ greatly. And yet, Prenatal Plus is a perfect fit in both. Why is that? Because Prenatal Plus doesn't over-complicate things. It simply allows doctors to identify high-risk pregnancies and then provides extra care for those women. In that way, Prenatal Plus is just common sense. In preparing for today, I called Claudia Morona, director of the program in Palm Beach County, Florida, to see how things were going. Claudia told me, Chad, after 10 years, Prenatal Plus is still going strong. It continues to work well because it targets services exactly where they are needed. Palm Beach County originally adopted Prenatal Plus because nearly 4 times as many black babies were dying compared to white babies. They wanted to do something about that specifically, and they did. I attached an email to my testimony from Jeff Goodman, who's an evaluation officer in Palm Beach County. Jeff's email to our team at CityMatCH shares data after 5 years of their implementation of Prenatal Plus. And the data demonstrate that the disparity in black/white infant mortality had been more than cut in half. You can see in his data, and I highlighted it there, that Palm Beach County had achieved the lowest black infant mortality rate in the state and had reached the Healthy People 2020 goal a full 3 years ahead of schedule. In fact, for all counties in our nation, Palm Beach County was 1 of only 5 that ever achieved the Healthy People 2020 goal for infant mortality for black populations, which is truly impressive. I mentioned that Prenatal Plus worked well in Florida and Colorado. So I've attached some Colorado data, too. If you'll allow me to get a bit nerdy with the data, I'll ask you to look at the columns that I've circled. I want to make 2 points here. First,

in Table 2, you can see high percentages of pregnancy risks were overcome through preg-- pregnancy plus-- Prenatal Plus. 62% of the women with inadequate weight gain, for example, were able to resolve that challenge. Even in the last row, where you see the highest-risk pregnancies, women facing an onslaught of very significant challenges, here, 20% of women receiving Prenatal Plus were able to overcome all of those challenges. This is remarkable. Now the second point in Table 3, you can see just how important resolving those challenges is for reducing preterm birth. I see that the light is red. So out of respect, I can stop there.

HANSEN: Yeah, I think-- you, you have just a little bit left, so you can just wrap up your final thoughts. That's fine.

CHAD ABRESCH: OK. Thank you. It's worth doing a little math here, because while adding services does come with a cost, it also produces savings. The March of Dimes calculates the first-year medical costs for an infant born prematurely at $49,140. That's compared to just $13,024 for a term delivery. So let's imagine Prenatal Plus reaches 1,000 women in Nebraska in its first year, with 40% of those women resolving their high-risk challenges. That's a bit conservative based on what we know Prenatal Plus can do, but let's go with it. This would represent 400 pregnancies with about a 7% likelihood of preterm birth, instead of a likelihood of about 13%. This translates into 28 preterm births, with an estimated total of $1,375,920, rather than 52 preterm births, with a cost of $2,555,280. This estimate represents a savings of over $1 million for the first year of Prenatal Plus. But let's stop right there, because money is not the reason we're doing this. We're doing it to save lives. CDC's most recent data on prematurity shows an infant mortality rate of 34.69 for every 1000 infants born less than 36 weeks gestation, but that rate is just 2.18 deaths for every 1,000 births born at more than 30 weeks, 37 weeks gestation. So when you calculate that out, what you see is that if we could expect among those hypothetical 1,000 Nebraska women enrolled in the program, we would see that 2 more of them would be buying cake and singing Happy Birthday in a year's time, rather than saying goodbye much too soon. Two lives saved every year, Senators. That's a profound possibility. This im-- the importance of this bill should not be understated. Thank you.

HANSEN: Thank you. That was a good job wrapping up your final thoughts.

CHAD ABRESCH: Thank you.

HANSEN: All right. Any questions from the committee? All right. Seeing none, thank you for testifying.

CHAD ABRESCH: Thank you.

HANSEN: We'll take our next testifier in support.

ANN ANDERSON BERRY: Chair Hansen, members of the Health and Human Services Committee, I am Dr. Ann Anderson Berry, A-n-n A-n-d-e-r-s-o-n B-e-r-r-y. I'm a faculty member of UNMC and the medical director of the Nebraska Perinatal Quality Improvement Collaborative, NPQIC. However, I am not speaking as a representative of the University today. I am here speaking as an individual and on behalf of the Nebraska Medical Association, as well as the Nebraska Perinatal Quality Improvement Collaborative. I'm here testifying with regards to LB857. As the medical director of NPQIC and a neonatologist, I work with hundreds of families each year with high-risk medical situations for both mother and baby. Through NPQIC, we support healthcare professionals across the state who can provide care that leads to best outcomes for Nebraska mothers and infants, working to ensure that every family has the healthiest start possible. This bill, proposing a support for Prenatal Plus Program, is designed to improve the health of mothers, to decrease adverse neonatal outcomes and improve maternal outcomes. In Nebraska, the rates of adverse neonatal outcomes, such as low birth weight, less than 200-- or 2,500 grams, preterm birth, and adverse birth outcomes such as brain injury from hypoxia during delivery, are increasing in frequency. Increased adverse neonatal outcomes drive admissions to the neonatal intensive care unit, or NICU. The care I provide in the NICU relies on advanced technology, equipment, medications, and highly-trained, large healthcare teams. This is expensive and requires extensive commitment from families who are hospitalized for months. As reported by the March of Dimes, Nebraska's preterm delivery rate rose from 8.7% in 2013 to 11.3% in 2022, and we have an infant mortality rate of 5.5 infant deaths per 1,000 live births, with minority infants dying at 3-4 times the rate of white infants. Minority infants are dying at 3-4 times the rate of white infants. This is an unacceptable public health outcome. Many maternal factors that drive preterm birth are modifiable, including unhealthy weight, diabetes, hypertension, and smoking. When looking specifically at obesity, defined as BMI of 30 or greater, the percentage of obese women delivering preterm infants in the 34th through 36th week of pregnancy, the weeks accounting for the majority of preterm infants, has increased from 27 to 37% over the last 6 years. Diagnosis of gestational diabetes has increased in these

mothers by 5% over the same time, from 8 to 13%. These diagnoses are not only associated with preterm delivery, but also with the need for medically-induced deliveries and C-sections in Nebraska, increasing cost and risk to the mother and infant, as compared to term spontaneous labor. You can see my figures A through C. This is Nebraska data. Infants aren't the only ones to bear the burden of adverse perinatal outcomes. Mothers with hypertension, obesity, and diabetes are at increased risk for delivery by C-section, post-operative infection, postpartum hemorrhage, and long-term cardiovascular disease. Intervention early in pregnancy with the Prenatal Plus Program to address lifestyle, behavioral, and nonmedical aspects of an at-risk mother's life have been shown effective in Colorado and California. I see my light is gone, so I will skip to the bottom. I urge you to pass LB857 to provide this common sense program to high-risk Nebraska mothers. I'd like to thank Senator Dugan [SIC] for introducing this important legislative bill. Thank you.

HANSEN: Thank you.

ANN ANDERSON BERRY: Happy to answer any questions.

HANSEN: Are there any questions from the committee? Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you, Dr. Anderson Berry for being here. The stats around gestational diabetes-- so as the law is currently, there's a population of mothers or expecting mothers that aren't covered. Are they going undiagnosed for gestational diabetes or--

ANN ANDERSON BERRY: Are you talking about the CHIP 599?

M. CAVANAUGH: Yeah. Sorry. Yes.

ANN ANDERSON BERRY: That's OK. Yes. You know, they are able to get prenatal care under CHIP 599. And then, if they get early prenatal care, they should be able to be diagnosed. But ideally, we would start this Prenatal Plus Program, and then those mothers could get nutritional counseling and perhaps avoid their diagnosis of gestational diabetes, avoid an expensive NICU stay, and avoid harm to those infants.

M. CAVANAUGH: So they currently aren't getting-- they can, they can get the diagnosis, but they aren't getting the preventative in advance of the diagnosis, of the nutritional.

ANN ANDERSON BERRY: No. We don't have coverage like this program right now.

M. CAVANAUGH: And I forgot-- sorry-- what my next question was going to be.

ANN ANDERSON BERRY: That's OK.

M. CAVANAUGH: Oh. At what, at what point are-- do you get to have that wonderful glucose screening test?

ANN ANDERSON BERRY: That's midtrimester, so around 22 weeks.

M. CAVANAUGH: OK. For those that don't know what this is, it is a torture device that requires pregnant women to fast. So.

ANN ANDERSON BERRY: And then drink a sickly orange drink.

M. CAVANAUGH: Yes. So if your partner ever has to go through this, please be kind and patient with their hangryness. OK. Thank you very much.

ANN ANDERSON BERRY: Thank you.

HANSEN: I, I have a question.

ANN ANDERSON BERRY: Yeah.

HANSEN: In, in your opinion, because obviously, I'm looking at some of your-- the data that you presented here. And a 5 1/2 increase in gestational diabetes within 5 or 6 years is pretty significant.

ANN ANDERSON BERRY: It's atrocious.

HANSEN: So it's-- I'm, I'm tying this into part of the bill that has to do with 6 or fewer sessions of nutritional counseling. What-- what's-- can you elaborate a little bit more on what the nutritional counseling would entail, in your opinion? Do you know?

ANN ANDERSON BERRY: Yeah. I do, I do nutrition research in the perinatal period. I will give you the caveat that I'm not a registered dietitian. I'm a physician. However, this would counsel women on the quality of their diet, having a diet rich in micronutrients, having a diet that's rich in whole grains, and decreasing elements of the standard American diet that include highly-processed foods, which have high levels of carbohydrates and high fructose corn syrup, and those

in combination with the pregnant state put women at significant increased risk for development of gestational diabetes. So that would be what I would anticipate that counseling would entail. And modifications early in pregnancy can impact the results of nutrition in pregnancy. That's what I spend-- when I'm not here, that's what I spend my life doing.

HANSEN: OK. I think-- that's, that's kind of what I figured. I was just wanting to kind of to--

ANN ANDERSON BERRY: Yeah, it's really important.

HANSEN: --verify that. And so.

ANN ANDERSON BERRY: And this is cheap and modifiable. And you don't want me to take care of a baby that's under insurance from the state. I come with a pretty hefty price tag.

HANSEN: You're pretty much telling me to stay away from the food pyramid.

ANN ANDERSON BERRY: Well, yeah. Our standard American diet, otherwise known as SAD, yes.

HANSEN: All right. Any other questions? Seeing none, thank you.

ANN ANDERSON BERRY: Thank you.

HANSEN: We'll take our next testifier in support, please.

MARY KINYOUN: All right. Chairman Hansen, members of the Health and Human Services Committee. My-- thank you for allowing me to speak with you today. My name is Dr. Mary Kinyoun. M-a-r-y K-i-n-y-o-u-n. I am an OB-GYN physician here in Omaha, Nebraska, and I am here today to testify in favor of LB8-- LB857 on behalf of the Nebraska Section of the American College of Obstetricians and Gynecologists. We feel strongly that the Prenatal Plus Program has great potential to positively impact the health of women and babies in our state. When a woman begins prenatal care and has her first visits with her healthcare provider, a detailed medical, surgical, family, and obstetric history is obtained. In addition to reviewing data like labs, vital signs, and physical exam findings, we also discuss our patients mental health, screen for substance abuse, domestic violence, and food insecurity. Compiling this information allows us to identify those who are at risk for preterm birth and low birth weight. While we

may increase visits, frequent-- frequency of visits, or ultrasounds, as things stand now, there are very few systems-based interventions that we can offer our patients. While some clinics have social workers who can help give lists of resources, many patients would benefit from additional assistance and more extensive pers-- and personalized care coordination. When I think of who the Prenatal Plus Program could benefit, countless patients come to mind. I think of a mother at 26 weeks, who had inadequate weight gain, who revealed she didn't feel she had sufficient funds to feed herself and her 2 growing children at home. Then there is the woman who was living out of her car during a portion of her pregnancy, who later went on to deliver prematurely due to pregnancy complications with a low birth weight baby. I've also cared for a number of pregnant patients in substance abuse recovery who would have benefited from additional case management for mental health support, tobacco cessation, and aid with finding safe and sober housing. Many women we care for who are at risk of preterm birth not only have these socioeconomic barriers to having a healthy pregnancy, but have other medical comorbidities such as diabetes, high blood pressure, or obesity. The ability to offer increased nutrition counseling and educational resources surrounding this could help us prevent significant maternal morbidity and in turn, neonatal morbidity, as well. We do do the gestational diabetes test between 24 and 28 weeks. The ability to offer nutrition counseling at the start of pregnancy could truly help decrease rates of gestational diabetes, elevated blood pressure, and excessive weight gain in pregnancy. We know that socioeconomic instability and maternal stress can result in adverse pregnancy outcomes, including preterm birth and infants with low birth weight. In the United States and here in Nebraska, this is affecting black and other minority women and babies at higher rates than their white counterparts. In a time when we are in a maternal and infant health crisis in this country, we should be adopting programs like the Prenatal Plus Program that have made substantial differences in other states. I'll wrap up here. From an obstetric perspective, there is not a magical pill or procedure that we can do to reliably prevent preterm birth and babies born with low birth weight. Socioeconomic stressors, food insecurities, mental illness, and addiction contribute to very real, real physiologic stress on pregnant mothers and fetuses. Mitigating even a portion of this could allow women to have healthier pregnancies. Nebraska ACOG would like to thank Senator Dungan for introducing this bill, and urges you to support the Prenatal Plus Program. Thank you.

HANSEN: Thank you. Any questions from the committee? Seeing none, thank you.

MARY KINYOUN: Thanks.

HANSEN: We'll take our next testifier in support, please. Welcome.

MARION MINER: All right. Good afternoon, Chairman Hansen and members of the Health and Human Services Committee. My name is Marion Miner, M-a-r-i-o-n M-i-n-e-r, and I'm here on behalf of the Nebraska Catholic Conference, which advocates for the public policy interests of the Catholic Church and advances the Gospel of Life through engaging, educating, and empowering public officials, Catholic laity, and the general public. Catholic social teaching, in accord with Sacred Scripture, affirms the preferential option for the poor that, quote, the poor, the marginalized, and in all cases, those whose living conditions interfere with their proper growth should be the focus of particular concern. The preferential option for the poor has a special form of primacy in the exercise of Christian charity, and applies importantly not only to our individual actions, but to our broader social and political responsibilities. Mothers of preborn and newborn babies who are without adequate family and social support ought to be of special concern, and must be a special focus for society attempting to realize a culture of life. This is the basis of the Conference's support for LB857, which would create the Prenatal Plus Program. This program would provide additional help for those mothers who are eligible to receive care under Medicaid and need special support for a healthy pregnancy and childbirth. Factors such as inadequate or poor nutrition and untreated physical or mental health disorders are addressable and directly related to the long-term health of a mother and her preborn or newborn child. A program that incentivizes the identification and treatment of those issues for low-income mothers, as LB857 would do, is, in our judgment, worthy of support. And our understanding is that there are ongoing conversations taking place between Senator Dungan's office and DHHS, as, as he alluded to, of course, to address cost, the fiscal note and concerns about duplication of services. And we encourage the committee and the department to work those out and advance an amendment that would fill those gaps that do exist for mothers and their babies who would qualify for this program. Thank you very much.

HANSEN: Thank you. Any questions from the committee? Seeing none, thank you.

MARION MINER: Thank you.

HANSEN: We'll take our next testifier in support. Welcome.

SANDY DANEK: Good afternoon, Chairman Hansen, members of the committee. My name is Sandy Danek, S-a-n-d-y D-a-n-e-k, and I'm the executive director of Nebraska Right to Life. I am submitting this testimony in support of LB857, as it has been presented to the committee. Our mission at Nebraska Right to Life is to, is to restore legal protection to innocent human life from fertilization through natural death. We work on policies to oppose abortion, infanticide, euthanasia, and unethical biomedical research. We believe the intent of LB857 falls within our scope to promote a culture of life. Implementation of the Nebraska Prenatal Plus Program will promote this culture of life by assisting at-risk mothers with nutrition counseling, psychosocial counseling with support, general client education, health promotion, breastfeeding support, and targeted case management. Providing these services to at-risk mothers will offer the tools needed to help them through personal challenges and better secure the delivery of a healthy infant, as well as foster a positive, loving environment for both mother and child. The annual reports will provide the state with valuable data to show how the Nebraska Prenatal Plus Program is helping mothers and their babies, which we believe will be an important element to further assist at-risk mothers. We encourage you to advance LB857. Thank you for your time.

HANSEN: Thank you. Are there any questions from the committee? Seeing none, thank you very much.

SANDY DANEK: Thank you.

HANSEN: We'll take our next testifier in support, please.

SARAH MARESH: Chair Hansen and members of the Health and Human Services Committee, my name is Sarah Maresh. It's S-a-r-a-h M-a-r-e-s-h, and I'm the healthcare access program director at Nebraska Appleseed, testifying in support of LB857 on behalf of Appleseed. One of our core priorities is working to ensure that all Nebraskans have equitable access to quality, affordable healthcare. Because this bill seeks to improve prenatal health supports for at-risk pregnant people with Medicaid coverage, which can help improve outcomes for babies and families, we support this bill. Receiving regular and comprehensive prenatal care, as you heard, is critical for the health of new families. It's well established that sufficient--

insufficient prenatal care contributes to adverse out-- health outcomes for babies, like preterm birth or low birth weight. And quality prenatal care and support is connected to improved physical and psychological outcomes for newborns and their families. Despite its importance, in 2022, 20% of Nebraska's babies were born to moms who did not receive adequate prenatal care. Improving prenatal services and access to care for those with Medicaid is particularly important. First, Medicaid covers thousands of births each year in Nebraska, which means Medicaid is a critical tool in supporting the health of our newborns and communities. Medicaid covers approximately 35% of all births in Nebraska, often covering those most at risk for having adverse birth outcomes. Low-income individuals covered by Medicaid tend to face more chronic conditions and risk factors that can negatively impact maternal health and birth outcomes. That, coupled with the fact that people with Medicaid are less likely to receive adequate prenatal care when compared to their privately insured counterparts, clearly demonstrates the need to improve prenatal care supports in Medicaid. Even more, improving these supports may also help reduce severe racial disparities that exist in maternal and infant health. This bill's specific services identified for the at-risk population are also uniquely situated to address key prenatal care deficiencies. Specifically, the case management service you've heard about today is a flexible support that can be tailored to individuals' specific needs, which leads to more targeted care. The case management can help address a multitude of factors and social determinants of health that contribute to these adverse birth outcomes, which paves the way for more comprehensive and holistic care. Nutrition counseling is also of prime importance in the prenatal period. Finally, we also support the report that's called for under this bill, as it increases public transparency and will be critical in evaluating the impact of this program. For these reasons, we respectfully request that you advance LB857. Thank you.

HANSEN: Thank you. Are there any questions from the committee? I don't see any. Thank you very much.

SARAH MARESH: Thank you.

HANSEN: Hey, wait. Have you had the glucose testing done yet?

SARAH MARESH: I have, yes. Yeah.

HANSEN: Is it, is it as bad as they say?

SARAH MARESH: You know, I-- it's like flat orange soda, I would say. So if you like that, then go ahead and, and drink it. Yeah.

HANSEN: I will pass, but--

SARAH MARESH: Thank you.

HANSEN: All right. We'll take our next testifier in support, please.

SCOUT RICHTERS: Good evening. Scout Richters, S-c-o-u-t R-i-c-h-t-e-r-s, here on behalf of the ACLU of Nebraska in support of LB857. The ACLU of Nebraska works to ensure that Nebraskans can make important decisions about having and raising children with autonomy and dignity, and have the resources they need to ensure that their families thrive. This work includes Nebraskans-- this work includes ensuring Nebraskans have access to birth control and abortion care, prenatal and maternal healthcare, and that the rights of pregnant and parenting students and workers are protected. Every pregnant person deserves to receive quality prenatal medical care, yet this is far from the reality, as you've heard from other testifiers. Creating the Nebraska Prenatal Plus Program will help to address disparities in care, further access to necessary care for pregnant Nebraskans, and improve the lives of Nebraska families and children. We offer our full support for this legislation and would urge its advancement.

HANSEN: Thank you. Are there any questions from the committee? Seeing none, thank you. We'll take our next testifier in support, please.

SARA HOWARD: [INAUDIBLE] believe I'm your last one for this lovely bill. OK. Chairman-- OK. Chairman Hansen and members of the Health and Human Services Committee, thank you for allowing me to testify today. My name is Sara Howard, spelled S-a-r-a H-o-w-a-r-d, and I'm a policy advisor at First Five Nebraska. First Five Nebraska is a statewide public policy organization focused on promoting quality early care and learning opportunities for Nebraska's youngest children. My position at First Five Nebraska is focused on the area of maternal and infant health policy, because we know that healthy moms and babies are critical to ensuring the long-term success of children in our state. I'm here to testify in support of LB857. First, I want to commend Senator Dungan for his support of children and families in the state of Nebraska. I'm just gonna kind of tell you how this came about. So Senator Dungan was very curious over the summer, like, what are some things that we can do, like he said, that are bipartisan, where like, we can agree on. And one of the things we can agree on is that moms

deserve prenatal care that's adequate and meets their needs. And so he called me and said, well, have you ever heard of this program? And I said, absolutely not. I've never heard of this program, but it sounds very nice. And I started just doing some digging into what Prenatal Plus meant, and trying to compare our Medicaid program to Colorado's program. And that isn't an apples-to-apples comparison. You guys have heard the joke, when the MLTC director comes and talks to you, and he's like, if you've seen one state plan, you've seen one state plan, in Medicaid, and so comparing the Colorado program to our program was not exactly the same. And so what Senator Dungan was able to put together in the bill before you is something that's very Nebraska-tailored. It, it identifies mothers who are at risk of an adverse birth outcome, specific, preterm and low birth weight, which we know is a problem. And I'm going to tell-- I'm going to remind you guys of last week, I was here on Friday, right, for the hospital assessment. And they had given me their claims data for the first 3 quarters of 2023. And from that claims data, 48% of babies born to mothers who were covered by Medicaid had a neonatology code, which meant they were low birth weight, preterm, or they had to have a transfer, or the codes also include a fetal demise. And so 48% of babies born to Medicaid mothers are having these major issues, and so having a program that directs interventions for their needs like targeted case management, so those additional supports, and like nutrition counseling specifically, would-- while it does have a cost, right, we've got that General Fund impact, I believe we would see a similar savings to what Colorado saw, which was pretty remarkable in their Medicaid budget. So I'm going to just talk about the cost very quickly in my last minute. I'm going to grab the fiscal note for you, this lovely fiscal note. And really, with the amendment, what you are looking at is this table down here, that 6 months, right, that's circled. And that's $3.8 million. That's $3.8 million before you get your federal, federal match. The federal match on $3.8 is the $2.2 million. So that's what gets you down to $1.6 of general funds. This $1.6 of general funds would be an appropriate use to look at a cash fund or a pay-for, like the Medicaid Managed Care Excess Profit Fund. This would be an appropriate use for that. That being said, I think the savings to the state would actually be quite a bit more than we would anticipate, because of that high rate of prematurity and low birth weight that we see. It's, it's the highest I've seen in a state. And generally, overall, for babies in the state of Nebraska, it's like 18%, but for Medicaid mothers, it's almost half. That is bananas. And, and with that, I'm happy to answer any questions that you might have.

HANSEN: Thank you. Are there any questions from the committee? Senator Cavanaugh.

M. CAVANAUGH: Can you continue explaining this to us?

SARA HOWARD: Sure. Which part?

M. CAVANAUGH: Oh, just the--

SARA HOWARD: All of it?

M. CAVANAUGH: --the-- well, the fiscal note.

SARA HOWARD: Yeah.

M. CAVANAUGH: Can you, can you kind of take us through it a little bit slower?

SARA HOWARD: Yeah, I was, I was on a, a--

M. CAVANAUGH: I know.

SARA HOWARD: --the clock. I was on the clock.

M. CAVANAUGH: No judgment, no judgment.

SARA HOWARD: OK. So the fiscal note has to consider first, how many moms we might be-- who might be eligible for this service. And then they have to figure out how much the service costs. There are only 2 services here that are new, the nutrition counseling and the targeted case management. The nutrition counseling is honestly kind of cheap. Dietitians are not very expensive, in terms of their provider billable, billable codes. And so when you limit them down to 6 visits, that's negligible when you consider cost. The targeted case management, the only comparison we have in the state of Nebraska for TCM is NDD. And that, as you know, is a super-intensive population that is a more expensive service compared to a highly-motivated population for a limited period of time. Right. We're looking at 6 months because we know entry to care for mothers in Medicaid is usually in the second trimester, which is not good, also not good. We'll find another bill to fix that. And so, you figured out how many people you have, you figure out the cost of the service, and that's what's getting you to the-- to those cost estimates that are at the bottom of the, of the fiscal note. So I think DHHS can-- thought every single mother on Medicaid would be eligible for these, and that's not

accurate. It's, it's probably less than half. And then when you think about Chad Abresch's testimony, there were several states where they implemented Prenatal Plus and they didn't-- the moms didn't take up the case management. Right. So maybe it was like 25% of the moms. So when you think about the actual cost, it may be significantly less than this, if people are not taking up the service. But the importance is the availability of the service, so even if 25% of moms took up the service and we were able to, sort of, evade a bad birth outcome, that saves us an enormous amount of money in NICU costs and costs to the state once that baby is here. Did I, did I do it all right?

M. CAVANAUGH: Well, I'll give you a A-minus for today.

SARA HOWARD: All right. Well, I tried my best.

M. CAVANAUGH: I have a follow-up question. OK, so-- actually 2. The first one is-- I'm going to ask them together and then leave it to you.

SARA HOWARD: Yeah.

M. CAVANAUGH: The first one is, so the 25%, so this is a ser-- basically, we're expanding a service array. Not every mother has to go through this.

SARA HOWARD: Yeah.

M. CAVANAUGH: It's optional.

SARA HOWARD: Yes.

M. CAVANAUGH: So we will see-- it's not 100% participation. And then the second question is the TCM. How, how does that work?

SARA HOWARD: Sure. OK. Let's do--

M. CAVANAUGH: That's a very open-ended question.

SARA HOWARD: --let's do the first-- the, the first one, the narrowing.

M. CAVANAUGH: OK. Yes.

SARA HOWARD: That-- we won't have very many. You know, if we estimate that there are 4,000 moms with an adverse birth outcome, maybe they were identified, maybe they weren't. If you narrow that down to 25% of them, that'd be about a 1,000 moms who may take up the service and be

identified for this adverse birth outcome, which really lowers that fiscal note. However, we write fiscal notes to the max number so that you guys can budget effectively. Right? So targeted case management is, like Senator Dungan said, it's a term of art in Medicaid for billing purposes. So it starts with an assessment. It's 3 visits, and then it's sort of like a completion moment. So it's 5 interactions, is what the CFR requires. And then you can bill out for that service. What we're specifying is that you want that social worker or that care coordinator to be in that clinical setting, as opposed to a third party or somebody outside of, of, of that, that doctor's office, because you want them coordinating care, not just with the, the OB, but with any other tertiary care that that mother might need. So TCM is, is essentially case management, but it's in a very limited scope and structure, which is why the, the cost of it is not very expensive. It's from a, a less expensive provider.

M. CAVANAUGH: OK. Thank you.

SARA HOWARD: Oh, that's a good question. Thank you--

M. CAVANAUGH: Thank you.

--for the good questions. I really appreciate them.

HANSEN: Are there any other good questions?

SARA HOWARD: Only bad ones. No-- which is--

M. CAVANAUGH: I don't know if it's a good question.

SARA HOWARD: Is it about my tweets?

M. CAVANAUGH: This is your last hearing?

SARA HOWARD: This-- I'm kidding. I'm--

M. CAVANAUGH: Too soon. Too soon. Too soon.

SARA HOWARD: Too soon, too soon. Too soon.

M. CAVANAUGH: They're all about cats, anyway.

SARA HOWARD: I know. They are all about cats. This is my last hearing. This is my last visit with you this year. I had a [INAUDIBLE].

M. CAVANAUGH: I was going to-- that was my question, because I do see it's after 5:00 and the next bill is about the Opioid Recovery Fund. So you could come up in a personal capacity. Just, you know, putting that out there for you.

SARA HOWARD: No, but I'm going to, I'm going to watch it and send you guys lots of love as you consider it.

M. CAVANAUGH: Thank you.

HANSEN: OK. Seeing no other questions, thank you.

SARA HOWARD: Thank you for having me.

HANSEN: Anybody else wishing to testify in support of LB857? Welcome.

MARCIA MUETING: Hello. Chairman Hansen, members of the Health and Human Services Committee, my name is Marcia Mueting, M-a-r-c-i-a M-u-e-t-i-n-g. I'm a pharmacist and I'm the CEO of the Nebraska Pharmacists Association. I just-- I am just going to take a minute in the chair to say that the Nebraska Pharmacists Association supports LB857. Many thanks to Senator Dungan for introducing the bill. I'm not going to read this to you, and-- because I know you can read. And I just wanted to let you know that the pharmacists in Nebraska think this is a really important and essential step in the right direction for healthy moms and healthy babies. So, I'll take any questions if you have them.

HANSEN: Thank you. Are there any questions? Seeing none, thank you. Is there anybody else wishing to testify in support of LB857? All right. Seeing none, is there anybody who wishes to testify in opposition to LB857? Anybody wishing to testify in a neutral capacity? All right. Seeing none, we'll welcome back up Senator to close. And for the record, I think he did have the most "kumbaya" bill so far here--

DUNGAN: Hey.

HANSEN: --considering the diversity of, you know, testifiers. And we-- you also had 25 letters for the record in support, and 1 in neutral. So.

DUNGAN: Thank you. And thank you, members of the committee. I know it's getting late. I know you're tired. We're all tired. I'm not going to take too much time, but I do want to thank everybody that I had a chance to work with through the long process of getting to where we

are today. I want to thank you all for hearing this. I, I genuinely think it's rare that we have an opportunity to have bills like this, right, where you do have, like you said, a "kumbaya" moment, of people getting together. And regardless of political affiliation or where you fall on the spectrum, people can understand it's important. So I am very, very thankful for people coming up today and testifying about the importance of this. It's also very rare that we have a chance, I think, to make a really positive impact on people's lives in a really tangible way, in a pretty simple manner. Like, like Sara Howard said, these-- there's 2 things, essentially, we're implementing with this going into effect that don't currently exist-- or, or they do exist but they're not getting reimbursed for. They may seem small, but to the moms who actually take advantage of those programs, they will be huge. And they will have a massive impact both on their health and the health of their baby. And again, I, I can't reiterate enough the cost savings that we see over a long period of time. Once we're done with today's hearing, I'm happy to sit down with folks and talk a little bit more about the Colorado program and how they saw that cost savings, but they really do go into great detail, looking at individual cases, and on a macro level, the amount of cost savings that you see even in the first year, by virtue of providing these services. I think a lot of times when we talk about prenatal care, we talk about what are the medical aspects of it that we can do to address the problems after they've already occurred. I think what this seeks to do is to be a part of the broader solution, where we do upstream investments, to actually stop those issues from happening in the first place. It's not just the medical side of things. It's the socioeconomic factors, it's the nutrition, it's the having somebody to help direct you where you need to go. And if we do that, if we, if we make that investment, I think we're going to see big returns, both financially but most importantly, for moms and for babies. So I would appreciate your support for LB857, and I'm happy to answer any questions you might have.

HANSEN: Are there any questions from the committee? Seeing none, thank you very much.

DUNGAN: Thank you.

HANSEN: All right. Well, that'll close our hearing on LB857. And we will now open up the hearing on LB1355, and welcome Senator Vargas to open.

VARGAS: OK. Hello, everyone.

HANSEN: Welcome.

VARGAS: Good afternoon, Chairman Hansen and members of the Health and Human Services Committee. And my name is Tony Vargas, T-o-n-y V-a-r-g-a-s. I represent District 7, which includes the communities of downtown and south Omaha. I'm here to introduce LB1355. I appreciate your time, as well. I know it's been a late or later day, maybe, than what you expected. I'm here to introduce LB1355, which will make critical updates to the Opioid Recovery Fund to address the serious public health crisis stemming from the rapid increase in the use of prescription and nonprescription opioid drugs by establishing aid programming. I brought this legislation to streamline getting funds out to the community and out of-- into high need-- needs areas. And the Opioid Remediation Advisory Committee is actually constituted to provide recommendations for the use of moneys from the Opioid Recovery Fund. And these aid programs are based on many of those recommendations. It's the intent of the Legislature in this bill to appropriate $4 million annually from the Nebraska Opioid Recovery Fund, beginning in FY '24 to '25, for grants for aid programming under the Opioid Prevention and Treatment Act, with each aid program receiving a minimum of $500,000 in grants. The aid programs will be created by local public health departments, State Patrol, healthcare facilities, and the behavioral health regions to meet a variety of needs in response to the opioid epidemic. And the Department of Health Human Services will oversee, decide, and administer these programs. In 2022, 175 Nebraskans died of a drug overdose. Of those 175 deaths, 60% of the cases had at least 1 potential opportunity for intervention. The statistic stands out to me when we truly think about the human cost of not getting these dollars out. In the United States, 81.8% of all overdose deaths involved at least 1 opioid. In Nebraska, 67% of all overdose deaths involved opioids, 67%. Illegally-made fentanyl was the top opioid involved in both cases. What I handed out to you are two things: a one-pager about this bill, actually showing you the delineation between the different aid programs, but it also included a-- separate, is an amendment that we've been working on. You've had conversations with a couple different groups in preparation from this, to make sure that not only were the funds being allocated and also not only that the DHHS would be administering the funds, but also making sure that some funds were going to behavioral health regions. And so, that amendment is made to make this bill better and improved. So that is the most updated amendment that I'm asking you to consider, and that's the major change that you will see in this, in this legislation. So with that, I'm happy to answer any more questions.

There are also going to be folks behind me who will speak further on, not only on the work that the Opioid Remediation Advisory Committee and other people that do this work across the state, so if you have some more substantive questions about what is or is not being done and the need for getting these funds out sooner and quicker, you can ask them. Thank you.

HANSEN: Thank you. Are there any questions from the committee? I don't see any yet, so. I'm assuming you're staying to close, then?

VARGAS: Yeah. Yeah. I'm sticking around.

HANSEN: All right.

VARGAS: We finished in Appropriations so I'll definitely [INAUDIBLE].

HANSEN: Oh. All right. Well, we will take our first testifier in support of LB1355.

JEREMY ESCHLIMAN: Good afternoon, Chairman Hansen, Health and Human Service Committee members. I'll be brief, and I've got a long afternoon. My name is Jeremy Eschliman, J-e-r-e-m-y E-s-c-h-l-i-m-a-n, and I'm health director at Two Rivers Public Health Department in Kearney. We serve-- I'm sorry, represent the jurisdiction of Buffalo, Dawson, Franklin, Gosper, Kearney, Harlan, and Phelps Counties serving nearly 100,000 constituents. I'm here today on behalf of Nebraska Association of Local Health Directors to testify in support of LB1355. As Senator Vargas mentioned, LB1355 would allocate funding from the Nebraska Opioid Recovery Fund to local public health departments, law enforcement, health facilities, to address the continuing community repercussions of opioid abuse. I want to thank, thank Senator Vargas for introduce-- introducing this legislation. As Senator Vargas had mentioned, the opioid epidemic in Nebraska is a serious public health crisis stemming from the rapid increase in the use of prescription and nonprescription opioid drugs. I have a personal story I'm not going to share now, but if anyone's interested, I can tell you later. It's-- are near and dear to my heart. I've had family that's been affected by opioids, and it's just, just like a lot of other illicit drugs. It's, it's a very damaging thing. So I'm going to skip over some of what I have in there, as far as data. Senator Vargas said-- had discussed that, and you can read some of the data that's in there, too. But through the public health surveillance system, we continue to improve our understanding of how substance use and overdose deaths are affecting our communities. And in particular, this investment in local

public health would allow rapid community engagement to address the fundamental effects of opioid abuse. As an example, some work that we've done in the Two Rivers public health jurisdiction involved public health staff visiting local pharmacies, schools, first responders, licensed liquor establishments. This was an-- this was elevated by our national association, the National Association of County and City Health Officials, as a promising, promising practice award in 2023. And just to give you an idea, we were 1 of 30 out of the like, 3,000 health departments in the United States. So it's something that's very prestigious, and it's just, just highlighting best practices across the United States. So, investment in work in local public health across Nebraska-- and it does include evidence-informed prevention activities such as promotion and distribution of naloxone, Narcan, drug deactivation bags, promotion of drug take back programs. And when these resources are in place, our communities are safer. That's just a proven fact. So just to wrap up, local health directors support LB1355, as it allocate funding from the, the state-- Nebraska Opioid Recovery Fund, to fund the local public health departments, law enforcement, health facilities, to continue to address the damaging effects of the opioid abuse that's happening in our communities. So-- and this really will help us continue to have effect on this, this problem. So otherwise, I'll stop there. And, and thank you, and thank you for your time today, and ask if you have any questions.

HANSEN: All right. Are there any questions from the committee? There are none. Thank you very much.

JEREMY ESCHLIMAN: Thank you very much.

HANSEN: Appreciate it. We'll welcome our next testifier in support.

JAIME BLAND: Good afternoon, Chairman Hansen and the committee. My name is Jaime Bland, J-a-i-m-e B-l-a-n-d, and I'm president and CEO of CyncHealth, which is Nebraska's designated health information exchange and administrator of the PDMP, the prescription drug monitoring, monitoring program. I'm here in support of LB1355, as it provides for grant funding to local public health departments and healthcare facilities for programs that include data tracking related to the opioid epidemic. As the administrator of the PDMP, CyncHealth has seen firsthand the power of data at work in addressing the opioid epidemic in Nebraska. Nebraska has required the reporting of all dispensed medications to the PDMP since 2018, including any controlled substances dispensed by veterinarians, and was the first in, in the

country to do so. Additionally, all covered providers are required to check the PDMP before adjusting the dosage amount on prescribing Schedule II drug to a Medicaid client. It's seeming-- its seemingly simple framework: collect all dispensed medication in a consistent and accurate way, and make the data easily available for prescribers to engage with, with it as part of the treatment and prescription decision-making process. This simple example of consistent data and use has, has benefited Nebraska immensely, immensely. Over the history of the PDMP, we've seen positive reaction to the dispensing habits of providers in the state. Through the use of PDMP in coordination with DHHS, along with local regional medical associations and schools, we've seen gradual decrease in the prescribing of opioid medications. As we looked at the PDMP statistics, we can see that we've achieved a level where practitioners believe patients are well cared for while maintaining appropriate levels of vigilance for this class of medication. Nebraska continues to gain immense value from this type of data track-- data tracking because, one, we can identify in the, in the data where attention or intervention might be needed. And then two, we can see if all those interventions or changes that were put into place are having any concrete impact. All of this is a testament to the fact that the data work doesn't always have to be groundbreaking or innovative, it just has to be meaningful and reliable, and it has to be happening. With resources like the funding provided for this bill, healthcare providers and public health departments can include data in their projects to ensure efforts and actions are effective and impactful. CyncHealth is supportive of all the grant purposes listed in the bill for the healthcare providers and public health departments, but we're especially glad to see that this bill recognizes the crucial role that data plays in addressing public health and the opioid use disorder. I'd be happy to take any questions.

HARDIN: Thank you. Any questions? Seeing none, you got off easy today.

JAIME BLAND: Good. I was wondering if I get my annual Cavanaugh--

M. CAVANAUGH: Of course you do. Sorry. We have a tradition.

HARDIN: Very good. The next proponent, LB1355. Welcome.

CHRIS ALLENDE: Thank you. Let me put my eyeballs on really quick. All right. Good afternoon, Chair Hansen, in his absence, and esteemed members of the Health and Human Services Committee, I also want to extend my gratitude to Senator Vargas for his attention to this

crucial issue. My name is Chris Allende, that's C-h-r-i-s A-l-l-e-n-d-e, and I serve as a training and technical assistance coordinator for the Wellbeing Initiative, an organization committed to empowering individuals facing mental health and substance use challenges to realize their fullest potential, find purpose, and foster community. Additionally, I represent the Nebraska Association of Behavioral Health Organizations NABHO, which comprises 58 organizations statewide, including community behavioral health providers, hospitals, regional behavioral health authorities, and consumers. Through NABHO, we strive to raise awareness and forge alliances that bolster access to behavioral healthcare for all residents across our state. As someone who has journeyed through long-term recovery from substance use challenges, I intimately understand the paramount importance of accessing timely and adequate care. It is with this firsthand knowledge that I stand before you today in staunch support of LB1355 and the establishment of aid programs integral to the Opioid Recovery Fund. The Wellbeing Initiative boasts a diverse array of programs designed to bolster support for individuals grappling with substance use challenges. Through our efforts, we have witnessed the transformative impact that aid programs can wield, significantly amplifying our community's capacity to save lives. Recently, we sought funding totaling $500,000 to further expand our programming for substance use disorders, or SUDs. In addition to the critical role of training the public on life saving measures such as naloxone administration and harm reduction strategies, the addition of 2 wellness coordinators to our team would significantly enhance our ability to provide immediate and accessible support to individuals affected by opioid use and substance use disorders across the state. These wellness coordinators would serve as frontline advocates offering real-time, low-barrier support to individuals in need. Their presence in communities will ensure that individuals grappling with substance use challenges have access to the compassionate assistance and guidance, thereby reducing barriers to seeking help and increasing the likelihood of successful, long-term recovery. Furthermore, the allocation of funding will enable us to hire a nurse who would play a pivotal role in providing direct care-- community members affected by substance use disorders. The nurse would not only deliver essential medical interventions, but also implement comprehensive assessments and evidence-based harm reduction models aimed at saving lives and promoting holistic wellness. In essence, the addition of wellness coordinators and a dedicated nurse to our team represents a multifaceted approach to addressing the opioid crisis and supporting individuals and families affected by substance use

disorders. Securing this funding would profoundly alter the treatment and prevention landscape for opioid use disorders. In light of these compelling reasons, I implore you to cast your vote in favor and move forward LB1355. Thank you for your attention and consideration.

HARDIN: Thank you.

CHRIS ALLENDE: Any questions? Thank you.

HARDIN: Questions?

CHRIS ALLENDE: I got off easy, too.

HARDIN: I'm not seeing any. Thank you.

CHRIS ALLENDE: Thank you.

HARDIN: Next proponent, LB1355. Hello.

ANN ANDERSON BERRY: Hello, members of the Health and Human Services Committee. I am Dr. Ann Anderson Berry, A-n-n A-n-d-e-r-s-o-n B-e-r-r-y. I'm a faculty member of UNMC and a member of the State of Nebraska Opioid Advisory Committee. However, I am not speaking as a representative of the University or the committee today. I am here speaking as an individual. I'm here testifying with regard to LB1355. The opioid epidemic has wreaked havoc on the United States, and Nebraska has not been spared from the impact of this deadly and ruinous epidemic. Our citizens, from our newborn babies and their mothers to teens dying at their first high school party, to adults who have struggled with addiction for decades, all suffer the consequences of the greed-driven pharmaceutical companies flooding our towns with addictive opioids. In my practice as a neonatologist, I care for infants born with serious withdrawal symptoms requiring extended hospitalization for treatment. I perform NIH-funded research to develop the best interventions to care for these infants to minimize the impact of this expose-- exposure and allow hospital discharge. My colleagues and I approach the care of this population in an evidence-based, systematic manner, evaluating all the options for improving hospital care and outcomes while minimizing pain and suffering of the mother and infant. When I was asked by the Attorney General to serve on the Nebraska Opioid Advisory Committee and was elected to the executive committee of that group as co-chair of the needs assessment committee, I expected an approach to the state's program that would be systematic, evidence-based, and would coordinate and augment existing resources. A comprehensive needs assessment would

guide our work. Funds would then be used to amplify current programs to prevent and treat opioid addiction, and help those suffering with substance use disorder. I anticipated that funds likely would be needed to improve resources to support those dealing with repercussions of the epidemic. Individuals in public service such as law enforcement, fire, emergency medical technicians, corrections facilities, mental health addiction specialists, and other healthcare workers would get resources to optimize systems and services for Nebraskans. In the summer of 2023, the committee authorized, authorized an RFP for a needs assessment, subsequently distributed that RFP, received bids, approved a bid through a vote of the committee, and followed a transparent process. Once the request went to the state to sign the contract and release the funds, we were informed that the state would not be approving a needs assessment and had their own plans for the funds, delaying funds release for a year and a half into this process. Our RFP for opioid addiction prevention grants were also halted. Our next meeting is February 28, at which point we hope to learn more about how DHHS will be spending the money now that it is clear that the advisory committee's input is not needed. After working on this committee innumerable hours over the last year and a half, no statewide funds have been disbursed through the committee. At present, this committee is awaiting fur-- further updates on how opioid settlement funds will be spent from DHHS, as it is clear they see no role for committee input. Other states across the nation have also maneuvered to integrate these funds into their general operating budgets by pulling block funding for existing opioid prevention and treatment work. While this approach may meet the letter of the agreement for use of the funds, I would argue that it doesn't meet the intent nor my expectation of how we could do better with our resources in Nebraska to impact this deadly disease. Senator Vargas described his bill, so I'm going to skip to that paragraph, and I'll urge you to consider LB1355 as an alternative to the current state of distribution and use of Nebraska's opioid settlement funds. It is critical that there is transparency and accountability to the people of Nebraska in the use of these dollars to develop resources to mitigate the impact of the opioid epidemic on Nebraskans. Short of a comprehensive needs assessment and statewide coordination and prevention and treatment efforts, this bill provides an acceptable alternative for use of these funds. We must demand accounting of every dollar that-- and the current state as prescribed by DHHS interim leadership in December 23, does not guarantee this. Thank you, Senator Vargas, for introducing this bill. I'm happy to take any questions.

HARDIN: Dr. Anderson Berry.

ANN ANDERSON BERRY: Yes.

HARDIN: That's the fastest I've ever heard you read anything, and it's very impressive.

ANN ANDERSON BERRY: I am fired up about this process, let's just say.

HARDIN: Despite the speed, tell me a little bit about that piece of nothing being disbursed in the last year.

ANN ANDERSON BERRY: We were assembled by the Attorney General, and had very minimal direction from his offer-- office, about operating procedures. And so we formed an executive committee with a chair, held regular meetings, monthly meetings, with a committee that was representative of the entire state. We had people from Omaha, Lincoln, all the way out to very western Nebraska, Valentine, small towns, large towns, physicians, people who had suffered from substance use disorder, law enforcement, firefighters. It was a-- it is a wonderful representative committee. We came intently to do this work, worked hard, dedicated our own and devoted our own personal time and efforts to do this. And then, about a-- little less than a year into the process, we were told that everything we had done did not meet open meetings requirements, of which we'd had no guidance on, and we had to strike everything that we had done from the record and start over again. And so then, we started over again. People are having to drive 8 hours to come to in-person meetings to meet open records requirements and get quorum. And we worked hard as a committee, and we did that. And we redid all the initial work we did with passing bylaws and reelecting the executive committee and the co-chairs. And then we worked incredibly hard to write an RFP that would allow for a needs assessment that was complementary to data that already existed in the state, but that was comprehensive across multiple sectors. And we set out an open call with a budget and expectations. We reviewed multiple proposals as a committee, again, all on our own time, and made a presentation to the full committee with our recommendations for what the best proposals were that would meet the needs of Nebraska citizens. We had an excellent proposal, moved that forward. We were ready to accept that and issue a contract, and then we were told that we had no authority to issue the RFP, even though we'd worked through DHHS to issue that. And in the interim, we had parallel process, moving forward with RFP for grants for substance use prevention. And so, a call went out to the entire state, again, for groups and

individuals to present proposals for very worthy projects that would have been implemented across the state to get this money into the hands of people instead of sitting in an account in DHHS, which is where it is right now. And we were also told, after we got dozens of phenomenal proposals, that we had to inform them that we had no authority to ask for an RP-- RFP for proposals for grants, and that that process would also be halted, and that they could go to their behavioral health districts and ask for money if they thought that their [INAUDIBLE]-- if they thought their project was worthy. We found all of this out at our December 2023 meeting. And we meet again, as I mentioned, in February of '24. So I'm very interested to say-- hear what the interim director has to say to us this month. But as it sits now, we're not using this money to help the people that need it, and I am not confident that every penny will be accounted for if we don't do something like Senator Vargas' bill. It is abhorrent to me that the Attorney General would have this entire process, which was supposed to be transparent and involve all stakeholders, and then we're told after years of work that we have no authority and what we've done doesn't matter.

HARDIN: That sounds frustrating.

ANN ANDERSON BERRY: Well, it's not so much frustrating for me. It should be frustrating for the citizens of Nebraska. Their mothers, fathers, infants, brothers, sons-- this, this epidemic impacts everyone of every socioeconomic status and of every zip code. We should all be furious that this money isn't hard at work for Nebraska citizens, this minute.

HARDIN: You sit in a somewhat unique seat. So there have been some statistics-- your comment on the last 4 years or so for us. What are you-- what are you seeing in terms of the usage, the, the problems? Give us a flavor.

ANN ANDERSON BERRY: In my personal practice, these infants are escalating. I had 2 yesterday. I discharged one. I admitted another one today. And that's one hospital, one practice. Right. I do a lot of research in this area, and I had a study 6 years ago. We were open for 4 months, and I enrolled 3 babies. I'm opening the next study next month. And as I said, 2 babies yesterday, 2 babies today, 6 babies last month, it is escalating exponentially. And these babies are sick. Their moms are devastated. You know, you cannot point any finger at a person that has substance use disorder because the system is set up against them. It is not a weakness. It is just a matter of living in

our society today, and whether or not you got hit. Right. Like, don't, don't point fingers at these people. Let's help them and let's get to prevention so that we don't have to have babies in the hospital for 4 months because they need medication for their substance use withdrawal.

HARDIN: Thank you. Other questions? Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you so much, Dr. Anderson Berry, for all of your work everywhere, all of the time. When were you appointed to the committee?

ANN ANDERSON BERRY: Oh, yikes. I was one of the original members, but I don't remember the exact date.

M. CAVANAUGH: 2020, I think, is when the original legislation was enacted. So--

ANN ANDERSON BERRY: Yeah. Shortly thereafter.

M. CAVANAUGH: --2020, 2021. So when you say, we were told, were you told by the Attorney General's Office or were you told by the Department of Health and Human Services?

ANN ANDERSON BERRY: We were told by interim director Tony Green, who I believe is here in the room today. So maybe you can ask him a little bit more about things.

M. CAVANAUGH: OK. So it-- so the-- in all of the different iterations that you spoke of, those, those directions came from DHHS?

ANN ANDERSON BERRY: Those directions initially were coming from the Attorney General's Office--

M. CAVANAUGH: OK.

ANN ANDERSON BERRY: --or a representative of, of that office.

M. CAVANAUGH: And under the previous Attorney General?

ANN ANDERSON BERRY: Under the previous and current Attorney General.

M. CAVANAUGH: And current Attorney General. So who told you you were violating Open Meetings Acts?

ANN ANDERSON BERRY: Actually, that was Lynn Rex, who came in and said [INAUDIBLE].

M. CAVANAUGH: From the League of Municipalities?

ANN ANDERSON BERRY: Yes.

M. CAVANAUGH: She came and told you that you were violating Open Meetings. In what capacity?

HARDIN: Yeah.

M. CAVANAUGH: And what authority?

ANN ANDERSON BERRY: I think that Municipalities have a vested interest in how these funds are spent. And she had engaged in monitoring the process. I don't want to speak for her, but it was through her that I first understood that we were violating open meetings rules.

M. CAVANAUGH: Well, did the Attorney General agree that you were violating Open Meetings Acts? And I say this is a person who very transparently loves transparency. And I love me some Open Meetings Acts, but I am confused as to how you were violating them in this particular instance.

ANN ANDERSON BERRY: We were using hybrid meetings and didn't have an in-person quorum a number of time-- the appropriate number of times a year to be considered in accordance with Open Meetings Act. And we also, I think, had some posting issues with our, with our Zooms, and a Zoom was changed to a WebEx 15 minutes before one of the meetings because of a login problem. So there were some issues with the public being able to access those electronic meetings.

M. CAVANAUGH: Were the electronic meetings purely electronic or were they hybrid?

ANN ANDERSON BERRY: All our meetings were hybrid that first year.

M. CAVANAUGH: So they still had access to the meetings. They just didn't have access to the electronics version, platform of your meetings. OK. I'm not an attorney, but this is--

ANN ANDERSON BERRY: Nor am I.

M. CAVANAUGH: --seems--

ANN ANDERSON BERRY: I don't do any of that attorney stuff.

M. CAVANAUGH: OK. So it-- is, is Ms. Rex a part of the committee?

ANN ANDERSON BERRY: She is not. I--

M. CAVANAUGH: So she brought it to the attention of the committee that you were in violation?

ANN ANDERSON BERRY: Um-hum.

M. CAVANAUGH: And then, what did the committee-- did the committee then go to the--

ANN ANDERSON BERRY: The committee consulted with a representative from the Attorney General's Office. We took a pause, met as executive committee, rewrote bylaws, took a different approach, reset expectations for attendance.

M. CAVANAUGH: Did the-- but the Attorney General's Office agree that you were in violation?

ANN ANDERSON BERRY: I believe that they did. Yes. Again, I don't want to speak for anyone else, but it's my understanding that they did.

M. CAVANAUGH: But did they communicate? They should have communic-- they're very good at issuing opinions. Did they give you [INAUDIBLE]?

ANN ANDERSON BERRY: They then, they then agreed that we needed to redo all of our work for the year, the Attorney General's Office did. Yes.

M. CAVANAUGH: OK. OK. So you redid all of your work, still under the Attorney General?

ANN ANDERSON BERRY: Yes.

M. CAVANAUGH: And at that point, after you redid all of your work, is when DHHS said you still weren't in compliance?

ANN ANDERSON BERRY: That's when DHHS said--

M. CAVANAUGH: You didn't have the authority?

ANN ANDERSON BERRY: --said that we don't have the authority to do the RFPs and ask for contracts, and that they were going to be determining

the use of the funds. And they would let us know how that was going to proceed further in February.

M. CAVANAUGH: And was DHHS aware that this committee existed and was doing this work over the last couple of years?

ANN ANDERSON BERRY: Yes. We had regular interactions with DHHS at every meeting.

M. CAVANAUGH: And they waited until you completed the second round of doing this to tell you that you didn't have the authority to do this?

ANN ANDERSON BERRY: There was a change in leadership. I can't speak for why the timing was what it was.

M. CAVANAUGH: But it, it did happen.

ANN ANDERSON BERRY: Yeah.

M. CAVANAUGH: You-- they were a part of it for 2--

ANN ANDERSON BERRY: Every single meeting.

M. CAVANAUGH: --plus years and then they-- OK. I'm exhausted. I don't know about all you. OK. Thank you.

ANN ANDERSON BERRY: You're welcome.

M. CAVANAUGH: Sincerely, thank you.

WALZ: Can I just have a quick question. Thank you.

HANSEN: Yep. Senator Walz.

WALZ: Thanks for being here today. The bill calls for $4 million annually in 3 sectors. Do you recall, was there an amount of money when you first were asked to be on this committee? It says after the assessment, funds would then be used to-- was it the same amount of money? Is that a different amount?

ANN ANDERSON BERRY: This is different amount of money than what the committee anticipated that we would have advisory control over. We-- the moneys will come in over 18 years, so we don't have the entire pot of money. And they're very convoluted contracts with each individual pharmaceutical company that has a [INAUDIBLE] amount with the state of Nebraska.

WALZ: OK.

ANN ANDERSON BERRY: And so some are heavier on disbursement at the beginning of their contracts, some are even, some are shorter contracts, some are longer. But to my latest knowledge, all of the funds will be collected by the state in a-- over a total of about, about 18 years. There's also a very complex disbursement formula for behavioral health districts. They get their money off the top, and then the state would have money that was-- that we anticipated as a committee would be spent on broader state programs that would encompass larger projects that, that could impact individuals across the state. But we felt that we needed a needs assessment first, and so that's why we issued that RFP before we jumped in with disbursing a lot of funds. But we did feel-- and Commissioner Borgeson, I think, will be able to speak on that, that it was necessary to move some funds out, since our process had been delayed. Un-- we had-- unintended by us, our process had been delayed. And so we decided to issue the RFP for preventative programming grants, as well. And so that's why we made that decision ahead of the needs assessment, because we knew we needed prevention. Right. We have a problem. You've got to prevent it. And so we felt like that was pretty safe, to move forward with that RFP.

WALZ: OK. Thank you.

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

ANN ANDERSON BERRY: Thank you.

HANSEN: We'll take our next testifier in support. Welcome

AMY HOLMAN: I was going to say good afternoon, but good evening now, I feel like. We've been here a long time. Chairman Hansen and members of the Health and Human Services Committee, my name is Amy Holman, A-m-y H-o-l-m-a-n. I am the project coordinator at the Nebraska Pharmacists Association. In my role, I oversee Stop Overdose Nebraska and our statewide Narcan program. Additionally, I have a seat on the Nebraska Opioid Settlement Remediation Advisory Committee. And I will agree, it's been a very frustrating last couple of months on that committee. We have dedicated the past year and a half to ensuring that opioid settlement funds allocated to the state are ut-- are utilized effectively. Our hope is that LB1355 would be a step to ensure these funds are used for their intended purpose. LB1355 plays a pivotal role in facilitating the disbursement of funds to agencies statewide,

empowering them to enhance prevention efforts. This includes essential initiatives like statewide education on opioid use disorder, overdose, and naloxone training, along with implementation of harm reduction services. Additionally, the legislation supports opioid treatment and recovery programs, providing crucial assistance to individuals struggling, struggling with opioid use disorders within our state. The NPA would respectfully request that the committee advance LB1355 for further consideration by the full legislation [SIC]. Thank you for your time today, and I'll answer any questions.

HANSEN: Thank you. Are there any questions from the committee? There are none. Thank you.

AMY HOLMAN: Thank you.

HANSEN: Anybody else wish to testify in support? Welcome.

RYAN CARRUTHERS: She took my good evening joke.

HANSEN: Oh.

RYAN CARRUTHERS: Waiting all afternoon for that one. I'm Ryan Carruthers. Good evening, Chairman Hansen and Health and Human Service Committee members. Ryan Carruthers, R-y-a-n C-a-r-r-u-t-h-e-r-s. I am here today representing CenterPointe, as its chief clinical officer. We appear in support of LB1355. CenterPointe provides a continuum of behavioral health and primary care services in Omaha and Lincoln, with the mission to help the people we serve get better, sooner, for longer. I hold my PhD in counseling studies, and I'm licensed in the state of Nebraska as a licensed mental health practitioner, a licensed alcohol and drug counselor, and a certified peer support specialist. I've been working in the field for almost 19 years, and have focused almost exclusively on helping individuals diagnosed with substance use disorders in the state of Nebraska. I'm not going to read all this. A couple of things I do want to focus on. In the last 24 months, within our residential programs here in-- we have 6 total, 2 in Omaha and 4 in Lincoln-- we've had to revive 3 people from opioid overdoses using naloxone, where in the previous 48 years of our existence as an organization, we had never had to use naloxone in a residential program. That-- the reality is that the problem is now. There's a reason why the Sacklers and, and the other folks that have brought this upon us settled for so much money. And ultimately, these funds were settled to be able to get help into the people that are struggling with opiate and other addictions. And so, contained in this

bill, there are provisions for specific amounts to be set aside. It, it, it has some really good things in it in terms of focusing on naloxone, along with safe syringes although the bill does use the less desirable term "clean needles," and fentanyl test strips, as well. Another really important effort. The idea that these funds are not going to be disbursed to the people that are providing services as laid out in the bill-- I'd love to hear that behavioral health was added in as a specific thing, as well. So, yeah. I have included a copy of my testimony, and my contact information is on there. Any questions?

HANSEN: Thank you. Are there any questions from the committee? There are none. Thank you. Anybody else wishing to testify in support of LB1355?

MARY ANN BORGESON: Good evening, Mr. Chair and members. Mary Ann Borgeson, M-a-r-y A-n-n B as in Bob, o-r-g-e-s-o-n. I'm a Douglas County Commissioner, and I am also on the opioid settlement committee, but I'm here and speaking on behalf of the Nebraska Association of County Officials, and the Nebraska Association of Regional Administrators in support of LB1355. I worked with Senator Vargas to have the behavioral health regions included in the bill. Because after all, this is what we do. And he was gracious enough to add them to the bill, which we will support. And I agree with everything that everybody has said.

HANSEN: I like your testimony, at 6:00 at night. It's great.

MARY ANN BORGESON: That's right. That's right.

HANSEN: Is there-- are there any questions? Yes, Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you, Commissioner Borgeson. It's nice to see you.

MARY ANN BORGESON: Hi, Senator.

M. CAVANAUGH: So you serve on a body--

MARY ANN BORGESON: Yes, ma'am.

M. CAVANAUGH: --that has-- is subject to open meetings?

MARY ANN BORGESON: Yes, ma'am.

M. CAVANAUGH: And I thought this, but I looked it up. We did in pass-- in fact, pass a change to the Open Meetings Act during the pandemic to allow for a hybrid model of meetings. And I believe the county board utilized that.

MARY ANN BORGESON: Correct.

M. CAVANAUGH: So as an elected official who has participated in open meetings, do you feel like you-- your committee was in violation of open meetings?

MARY ANN BORGESON: I don't, just because I was-- I participated in a lot of the hybrid and actually just full Zoom meetings--

M. CAVANAUGH: Right.

MARY ANN BORGESON: --which, you know, again, during the pandemic, we didn't shut down. We did what we had to do, and they worked.

M. CAVANAUGH: Yes.

MARY ANN BORGESON: And again, they were recorded. Minutes were taken, all of that. So it, it was frustrating that again, that was brought to our attention by-- we, as Dr. Berry said, started all over and went back and redid everything that we had done in an open forum. But when you're talking a statewide committee and you're talking commissioners and sheriffs and everybody from across the state, from Scotts Bluff to Douglas County, having the ability to do a hybrid, to do a Zoom is much more efficient and costly than in person. But we did have the good advice that we could hold-- we have to have one. And that's fine. We'll do that. And we were on a good road. We really were. We got all of what had been questioned as to being the proper process, we had that already done. And as Dr. Berry said, we put out the RFP for the statewide needs assessment. We also put out funds to the regions to do region assessments.

M. CAVANAUGH: And you put this out on behalf of the committee, which was on behalf of the Attorney General's Office?

MARY ANN BORGESON: Right.

M. CAVANAUGH: OK.

MARY ANN BORGESON: Right. And as it was stated, everybody was around the table when this was happening. The votes were taken. It's--

records were made on the meetings. And then, we decided-- I brought forth the prevention piece, and said a lot of the moneys that we're talking about or what's being done currently is all kind of after someone has an opioid issue, so let's focus on prevention. And so, I personally wrote the RFP for the prevention. I personally did. And we sent it out statewide, and we received 37 applications. And this was during a holiday time. And so I was really impressed that we got that many. And so, the-- there was 4 of us who reviewed and scored. And then, that's when we were told everything was on hold because we can't do that. And so I wasn't able to bring, from the committee's perspective, a recommendation on what of those 37 applications, all, 1, 2, 3, 10, 15, I could not bring what the recommendation was because they told us not to. So there's 37 applications that are sitting out there that responded to the prevention RFP, that have not been to that next level of being recommended by the committee for funding.

M. CAVANAUGH: When were you told that you couldn't make a recommend-- even make a recommendation?

MARY ANN BORGESON: It was at our last meeting, which was in December.

M. CAVANAUGH: So at your last meeting in December of 2023, you were told that you couldn't--

MARY ANN BORGESON: I was told prior to that, coming to the meeting, not to bring your recommendation. And so, so we didn't. And then that's when we were told that we had to follow the state procurement process, which was different than how we had been operating, and left a lot of questions as to what is the role of the committee. And again, there's, I think, still to date, I think there's about $7.9 million and something in the fund, as we sit here today. And then that's when Senator Vargas, introduced LB1355 as a better way to get this money moved into the, into the proper places for it to get out to address those issues, all the way from prevention to life-saving efforts.

M. CAVANAUGH: OK. Is there anything I'm not asking that I should be asking? I look to see the reporters ask me that all the time, and I'm just coming to realize that I am way behind the ball here, on what is going on. So.

MARY ANN BORGESON: No, I think Director Green will provide us at our next meeting what processes or procedures, as a committee, we should follow, explain the procurement process a little bit better to us, and maybe help us understand what our role is now, as the committee. And

again, the committee always knew we were just advisory. We understood that. But we did not understand that what we were doing was wrong. I mean, writing an RFP is not easy.

M. CAVANAUGH: Yeah.

MARY ANN BORGESON: Putting it out, I mean, statewide, isn't easy.

M. CAVANAUGH: Yeah. And this is all volunteer?

MARY ANN BORGESON: Yes. Which I was happy to do because I really, truly believed that we should be focusing on prevention, because there was so much being done after the fact, which is still important, but the prevention piece was really important. And so that's why we focused on prevention.

M. CAVANAUGH: Is the Attorney General's Office engaged in these meetings and these conversations?

MARY ANN BORGESON: Um-hum.

M. CAVANAUGH: OK. Thank you.

MARY ANN BORGESON: Yeah. Um-hum.

HANSEN: All right. Seeing no other questions, thank you very much.

MARY ANN BORGESON: Thank you for all you do.

HANSEN: Thank you.

MARY ANN BORGESON: Oh, and pass that, please.

HANSEN: All right. Anybody else wishing to testify in support? All right. Is there anybody wishing to testify in opposition to LB1355? Is there anybody wishing to testify in neutral capacity?

MAGGIE BALLARD: Hi. Good evening, now, Chairman Hansen and members of the Health and Human Services Committee. Still, Maggie Ballard, M-a-g-g-i-e B-a-l-l-a-r-d, here on behalf of Heartland Family Service, speaking in a neutral capacity on L-- LB1355. I would like to thank Senator Vargas for introducing the bill. To be clear, we support disbursing grant money from the Nebraska Opioid Recovery Fund. What we want to comment on is what the funds will be used for. Coincidentally, I'm following up Commissioner Borgeson, which is perfect because I want to talk to you about prevention. We-- I did speak with Senator

Vargas' office yesterday about some things I'm going to share with you. And so I'm going to share why we're kind of asking for a change or perhaps an amendment. So at this point, we don't see any mention of primary prevention in what is called the Opioid Prevention and Treatment Act. While harm reduction is an important component to reducing overdoses and deaths from overdoses, we would like to see the state invest in practices and strategies that will reduce opioid use and opioid use disorders from happening in the first place. I also want to speak to this committee about what prevention is, because in my 10 years of working in the prevention field, it usually gets looped in with treatment and is widely underfunded. So, Senator Dungan mentioned the story of going upstream. If you're not familiar with that story, it's right there for you. In the interest of time, I'm going to keep moving on. But remember, prevention is going upstream and keeping people from falling into it to begin with. Substance abuse prevention, it consists of 6 strategies. I'll let you look over those, what they're called under each of these, especially the educational strategy, there are evidence-based programs and processes that have been proven to reduce substance use or delay the age of first use. Delaying the age that someone uses a substance for the first time is instrumental in preventing addiction from occurring. So think of DARE back in the 1990s, except that DARE was not evidence-based and was actually proven to have the adverse effect on youth. The behavioral health regions are equipped to oversee coalitions across Nebraska that apply for funding, so that effective strategies can be put into place to keep people from falling into that river. Prevention work is challenging because-- it's challenging to measure, because while I can tell you how many students I presented to in a classroom or how many kids I had in a group, you can't measure what you prevented from happening, because it didn't happen. It was prevented. But it's still essential that we approach-- that we approach the opioid epidemic in this way. I'd be happy to answer any questions.

HANSEN: I think you just ruined part of my childhood.

MAGGIE BALLARD: Sorry. Now, can I respond to that?

HANSEN: Yeah. Well, that's a, that's a pretty vague response. But yes. Yes you may.

MAGGIE BALLARD: What happened to you? No, I'm just kidding. As far as DARE, keep in mind, most, most kids don't use drugs or alcohol anyway. And so it's not that having DARE made kids use, it's just that, after

going through it, there were more kids that used than if there hadn't been them going through it.

HANSEN: Wow. OK. I did not know that.

MAGGIE BALLARD: Part of my childhood, too. I get it.

HANSEN: Any questions from the committee? Seeing none, thank you. All right. Anyone else wishing to testify in a neutral capacity?

TONY GREEN: Good evening, Chairman Hansen and members of the Health and Human Services Committee. My name is Tony Green, T-o-n-y G-r-e-e-n, and I am before you as the interim director for the Division of Behavioral Health at DHHS. I'm here to testify in a neutral capacity. And I want to make sure that I am testifying to the bill as introduced. I have not been given or seen a copy of an amendment, so I'm not aware of what's in there. The, the funds for the Opioid Recovery Fund, this bill indicates that we would disburse these to public health departments, lo-- local law enforcement and healthcare facilities. About-- it would allocate $4 million a year, with a minimum of $500,000 disbursed to each of these 3 program aid grants. An amount not exceeding 10% of each grant could be used for administrative costs. Per the language of the bill. It's unclear if the remaining $2.5 million, not required for the grant programs, is at DHHS's discretion to spend. A technical observation is that Section 10, subsection (1), creates a healthcare facility aid program. However, subsection (2) awards funds to the public health aid program and not the healthcare facility program. Secondly, the Opioid Prevention Treatment Act states that the funds shall be spent in accordance with the terms of the national settlement agreements, which require them to be used in all geographic areas of the state. The bill is silent regarding how to comply with this requirement, and it is incumbent upon DHHS to ensure the statewide use to avoid conflict with the Opioid Settlement Agreement. The proposed legislation requires awarding of funds via grant-based model. DBH would need to establish criteria and needs base for a grant award process to assure alignment with applicable procurement statutes and limits. Additionally, the time frame indicated in the bill is unrealistic to fully implement as outlined. Finally, the bill allocates a portion of the $4 million to local health departments. As a condition of the settlement, local municipalities, counties, and cities already receive 15% of each settlement directly. These funds support local efforts and could be awarded to health departments, law enforcement, and local healthcare

facilities if local authorities choose to award to these entities. I'm happy to answer any questions I can.

HANSEN: Thank you. Are there any questions from the committee? Senator Walz.

WALZ: OK. All right. Thank you. Thank you, Mr. Green, for being here today.

TONY GREEN: Sure.

WALZ: I just want to go back to the original bill that was introduced by Senator Howard in 2020. It required DHHS to send a report to the Legislature and the Attorney General's Office on what was happening, an update. I don't recall seeing any reports. Do you know, off-hand, have we received reports on, on what's been happening over the last 3 years?

TONY GREEN: Yes. So we did submit our first report, that is available to you all. It has limited activity thus, thus far, so it's not a very large report--

WALZ: OK.

TONY GREEN: But we did comply and, and submit the initial report.

WALZ: Just lately?

TONY GREEN: Yes.

WALZ: OK. So none-- nothing in the report states all the work that had been done when that committee was formed, prior to this. None of the-- is there anything in the report that talks about all the work that was done by-- what's the committee called? Sorry.

TONY GREEN: You're fine.

WALZ: What is that committee called? The committee that Mary Ann Borgeson was on. What's-- the Nebraska Opioid Settlement Remediation Advisory Committee. Does the report say anything about that to the Legislature or the Attorney General about all the work that, that, that was done, any recommendations that were made?

TONY GREEN: Senator, I would have to go back and pull it. I, I don't have it here with me, and I don't recall how detailed the report was. So, I can follow up with you.

WALZ: OK.

HANSEN: Senator Cavanaugh.

M. CAVANAUGH: Hi.

TONY GREEN: Hi.

M. CAVANAUGH: How are you?

TONY GREEN: I am good.

M. CAVANAUGH: You look a little scared.

TONY GREEN: Hungry.

M. CAVANAUGH: I'm hungry, too. OK. What happened? So we have this group of citizen-- volunteer citizens that were asked by Attorney General-- oh my gosh, I forgot his name-- not Mike Hilgers but the previous one. You know who I'm-- Peterson, thank you. I was going to say Bruning. It's a long day. Attorney General Peterson appointed this citizen committee, back in probably 2021 or late 2020. And you've heard what Dr. Anderson Berry and Commissioner Borgeson have said. Can you walk me through what happened? Because as I'm sure you can appreciate, they gave a lot of time. And it seems like they were being given-- whether it's true or not, the perception is that they were being given the runaround. And I believe it is the new director of Child and Family Services who said to always assume the best intent. So I'm trying to assume the best intent. So can you help me understand what's going on?

TONY GREEN: Yeah, happy to. Again, I'll speak to what I know, and I can't really speak to conversations that may have occurred prior to--

M. CAVANAUGH: Sure. Are you an attorney?

TONY GREEN: --me stepping in. I'm not an attorney. And so, when I became the interim director for Behavioral Health in January of '23, the committee was in that hiatus that they had described, where they had stopped kind of meeting, because they were instructed that they were not following Open Meetings Act. So when I came along, they were

having meetings of a small group of the members to just redo the bylaws and, and kind of get that going.

M. CAVANAUGH: Can I pause you there?

TONY GREEN: You may.

M. CAVANAUGH: Prior to you becoming the interim director, was the previous director or a representative from DHHS participating in these meetings?

TONY GREEN: Yes.

M. CAVANAUGH: OK. Go on. Thank you.

TONY GREEN: And so, the committee really-- and I may not have the month correct. I'm sure the committee members would. But summer-ish, the committee came back to life, if you will, and reconvened and adopted the, the new bylaws and kind of began their work again, under the, the new rules and the more formality of the Open Meetings Act. That prompted, I believe, a meeting around September, where the committee had made a recommendation to do a needs assessment. And so those minutes come to the department, and we had representatives that were at those meetings from the department, to say the committee is recommending this. And so, my task was to figure out, OK, now what do I do with this? And so there, there really is nothing going on behind the curtains to say that we're, we're-- that we're changing course. I-- again, I can't speak to, to what maybe had happened in the past, but as we go forward with trying to implement a recommendation, what I can tell you is that we have to follow the procurement standards with this cash fund that's been established. And the way that it was done through the committee's RFP process-- and we did take this back to our, our legal department to take a look at the actual RFP, that, that Mary Ann spoke to, that was written, and if it was-- or could be used in our state process. And so, it was determined we could not. We needed to follow the, the very structured procurement statutes that are outlined in expending state funds. And so that was the conversation then, in-- at the December meeting, where the committee was made aware that we wouldn't be able to, as they anticipated, to bring grant proposals forward and recommend contracts be issued by the department to these entities. Because I think everyone agrees the committee doesn't have an authority to actually write or sign and engage in contracts. That has to be a state function. When that's a state function, it now falls into those procurement laws. So that was

the conversation in December, with a commitment to follow up, again, on could there be a way in looking at that RFP. So that written correspondence was provided back to the committee shortly after the meeting and put on the website for the committee to take a look at. We did give them some of the small windows in the existing statutes that allow contracting to occur outside of that RFP process, as an example, a contract less than $50,000 or to a university or another government entity. Those would be a couple options that the committee could take a look at and explore again. I, I don't know what's in those RFPs that were submitted. At the same time in December, I relayed to the committee that the, the Division would also be bringing forward strategies that, that we would like to implement with the opioid settlement funds. And that is scheduled to occur at the next meeting, February 28.

M. CAVANAUGH: That you'll bring forward the, the Division's intentions or are these already happening? What's the status?

TONY GREEN: The-- they would be the Division's intentions. They are not happening today. Yes.

M. CAVANAUGH: OK. I have more questions, but again--

TONY GREEN: Sure.

M. CAVANAUGH: I--

HANSEN: Yep.

M. CAVANAUGH: --OK.

HANSEN: It's all yours.

M. CAVANAUGH: OK. So thank you, first of all, for going through that. I'm just trying to ask them in the right order. OK. So we have the money. We've got $7 million, approximately. Is that right? How much money is in the opioid fund, currently?

TONY GREEN: As you heard, it, it is a very complex formula, that goes all the way till 2038. In total, of all the settlements between now and 2038, it would be roughly $178 million in settlement funds that would be disbursed in Nebraska.

M. CAVANAUGH: $138 million?

TONY GREEN: $78.

M. CAVANAUGH: $78-- sorry-- million.

TONY GREEN: And they, they, they change each year. So as you heard, which is true, that each settlement is negotiated independently. And so some go very quickly, like Walmart, which is kind of one and done payment. Others are spread out over many years. And then--

M. CAVANAUGH: But the, the current balance that is sitting with the state is-- somebody-- I wrote down $7.9 million.

TONY GREEN: I would have to go look that up.

M. CAVANAUGH: OK. What-- that is sitting. It's been sitting for some time. What's happening with the interest? Is it being accrued into that account? Is it building? I'm getting head nods from behind you. [INAUDIBLE] friends.

TONY GREEN: I would assume it is, yes. I mean-- so let me explain the, the funding, because I think-- if I can.

M. CAVANAUGH: Yes, please.

TONY GREEN: It, it-- because it is confusing, and I think sometimes, an unfair characterization to the department and the state funds. There's, there's different pots of funds for this opioid fund. So I mentioned in my testimony, each settlement off the top, 15% goes to the local jurisdictions. That money is already being disbursed locally to be spent.

M. CAVANAUGH: Yes.

TONY GREEN: Then the larger-- the state pot. So you have that 85%, then, that is there with requirements of 50% of that to be used across the geographic areas, in the, in the regions. There was a payment out of that state fund made to the regions in the amount of $10 million last June.

M. CAVANAUGH: OK.

TONY GREEN: For-- to each region, in total of $10 million that has not been spent. So I don't see that as a finger pointing thing. I see it as an educational piece that sometimes there's a perception that there

is no money being dispersed. And there is. There, there was $10 million disbursed last June out of that fund to the region.

M. CAVANAUGH: June 2023?

TONY GREEN: June 2023.

M. CAVANAUGH: So-- and we have 5 or 6 behavioral health regions?

TONY GREEN: 6.

M. CAVANAUGH: 6. So $60 million was dispersed?

TONY GREEN: $10.

M. CAVANAUGH: $10 total.

TONY GREEN: $10 total.

M. CAVANAUGH: OK. So-- and that money is now--

TONY GREEN: And that's on top of the $15--

M. CAVANAUGH: Right.

TONY GREEN: --that already went to local jurisdictions.

M. CAVANAUGH: But that $10 is now sitting with them to utilize?

TONY GREEN: Yes.

M. CAVANAUGH: OK. And that was disbursed in the last 6 or 7 months?

TONY GREEN: June of '23. So.

M. CAVANAUGH: '23. OK. So-- and to your knowledge, none of it has been spent?

TONY GREEN: A very small amount out of 1 region, and maybe a little bit in the-- but very, very small, that-- it's--

M. CAVANAUGH: And when--

TONY GREEN: I can honestly-- I can say a majority is still waiting to be expended.

M. CAVANAUGH: OK. And then, the remaining amount is sitting in this fund, and the state has a plan that they're going to share at the end of this month. It would be great if they would share it with us, as well. What input has the Attorney General's Office had in how the state is going to utilize these dollars?

TONY GREEN: None, other than the oversight to ensure that any funds that are expended comply with the settlement agreements, and that, and that all of the activities are-- that comport with the exhibit E, as you would hear people refer to.

M. CAVANAUGH: OK.

TONY GREEN: But into this development of specific, specific strategies, no.

M. CAVANAUGH: OK. I have questions about your testimony and the underlying bill.

TONY GREEN: OK.

M. CAVANAUGH: Again, I was just taking a pause. OK.

TONY GREEN: Yep.

M. CAVANAUGH: So this comes at a time where we are having-- this seems to be an ongoing process coming from DHHS this year, which is a little bit different than in the past. It seems that the, the department-- and I recognize that you are a representative of the department, so not-- I'm not saying you personally, but the department writ large is wanting the Legislature to be extremely prescribed in the legislation that we're introducing this year, which is resulting in some pretty outlandish fiscal notes. And I bring this up in this context, because your testimony here says, secondly, the Opioid Prevention and Treatment Act states that funds shall be spent in accordance with the terms of the National Settlement Agreement. This bill is silent regarding how to comply with this agreement. I don't know that it needs to be vocal in how to comply with the agreement. I don't know if we want to get into the business of the Legislature being this prescribed in how the agency carries out their duties. And so I guess I put it to you or you can go back and come back to this, but this is an ongoing theme that we are seeing, is that the state agency is taking things-- are you familiar with Amelia Bedelia books? It feels like Amelia Bedelia, where it's like so literal, it's overly literal, and not using their own judgment as an agency, as to how to comply

with a federal, federal act. So, I don't know. It's, it's sort of a statement question. I don't know if you want to respond to it. You don't have to. But it is a theme that I am noticing. And I thought that struck me as kind of an unusual comment.

TONY GREEN: So I'll address the comment, because they are mine and I am, I am--

M. CAVANAUGH: OK.

TONY GREEN: --the representative of the department and, and, and I write this. So the, the comment is there because it is unknown what the true intent behind, behind this is. Right. So there-- there's some questions in this of the grant programs at, at a minimum of $500,000 to the 3 entities. And again, if it was just the minimum, what happens to the rest? And that could be a reality, right? Who knows. But it's, it's more as an awareness comment that that will be the process. So as, as these 3 entities would be stood up if this passed, there still is going to be a responsibility on the department, that perhaps funding requests would be denied because we're not-- we have to be mindful of the disbursement process.

M. CAVANAUGH: Sure.

TONY GREEN: So it-- it's meant as an education piece, that if there was an intent to be more equal and fair, we still have to comply with those terms of the settlement.

M. CAVANAUGH: I got it. Thank you.

TONY GREEN: You're welcome.

M. CAVANAUGH: I appreciate that. And before I get the cane, I'm going to stop talking.

HANSEN: All right. Seeing no other questions from the committee, thank you very much.

TONY GREEN: You're welcome. Thanks.

HANSEN: Anybody else wishing to testify in a neutral capacity? All right. Seeing none, we will welcome up Senator Vargas to close on LB1355, if you wish to do so. And we, we did have some letters in support. Let's see. Make sure I get this right. Yep. We did have 2 letters for the record. Both of them were in support to LB1355.

VARGAS: 6:30. OK. Thank you very much. And thank you to the people that testified in support, the people that testified in neutral, and also Director Green or Interim Director Green. This is-- just a couple things I wanted to make sure to emphasize. The first is, and I appreciate some of the questions because it is helpful to understand people's perspectives on what's happened up until this point, with the committee, but the intent of this bill is neither to say that things should have-- well, I think things should have happened already with funds. That is one outcome. But there's a reason why this isn't a-- this isn't like an accountability bill, like this isn't a let's go back and figure out what happened. This is an-- a let's revamp the committee. This is a let's make sure that we, we create structure. And I want you to think about any grant programs you've ever seen in HHS or any other committees that you serve in, which is-- part of our job is to create the legislative framework to make sure that things are happening, and also to create the framework to make sure that funds that we have, which is most of the work that I do, when we have funds that are available, within Appropriations, that we give the guidelines, statutory framework and guidelines, to make sure they get out. There's also-- and people are on different sides of the spectrum here, on how prescriptive we get, right. Some instances, we can get very prescriptive. You've seen the language where it tells you exactly what you cannot use the funds for. And, and then in some instances, it gets extremely loose, where it's just like, the funds can be-- are appropriated to DHHS for the purposes of opioid prevention and, and then there's no, no other language. We had bills in Appropriations even earlier today that were-- not, not that they're vague, but just very generalized. The intent of this is to create the framework that will make sure that a set of funds goes out somewhat consistently every year, and that align with a lot of the purposes of the settlement agreement language, and that DHHS will determine what those best parameters are for that $4 million, so that we can get money out. That's what the intent is. The reason why there's minimums is so that we don't just prescribe a $4 million contract to 1 thing, and instead, think about year over year. Maybe there's smaller things that we should be doing in these parameters. But theoretically, it means that aft-- if they do do $500,000 for each of the parameters, it is up to them to decide how they would allocate another $2 million to $2.5, either to 1 entity or many entities, across any of these sort of subprograms. The point is, I do trust that the agency, in collaboration with the people that you heard speak, they're going to get the dollars out if we provide them this framework and we tell them, we want you to get the dollars out, and, and that there's a

clear-- there's a clear understanding that there are allowable uses of what this grant program can and cannot do. There is additional language within the settlement agreement, I think what you heard from Interim Director Green, that will make sure that we're not violating any legal issues with the settlement agreement. I did not put that in here because we are required to abide by those, regardless. This is to make sure that we can get those funds out in a very discreet and measured manner. There's a reason why we're not saying, let's just get all the money out every single year. Theoretically, we can get all the-- we can get like another $10, $20 million next year. The goal isn't to spend all that money. To your point, there's interest that will be accrued into this, which is good, because if-- that means that that-- this fund can sustain itself a lot longer. Right. So in terms of the flexibility, we, we intentionally put flexibility into this, not so overly prescriptive because I believe that DHHS will make decisions in collaboration with people that were here testifying, and we'll get the funds out. That's, that's the intent. I'm happy to work on any other language. What we don't want to do is get so prescriptive where then you're here next year, and, and then the money hasn't gotten out. So, I appreciate you. I appreciate all the testifiers in support. We'll definitely work on any technical amendments that will enable these-- this program to come into existence and make sure that dollars get out, and happy to answer any additional questions.

HANSEN: Thank you. Are there any questions from the committee? Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you, Senator Vargas. First question. On the fiscal note, it says $4 million in general funds. Is it not-- this is money that's--

VARGAS: Correct. Yes.

M. CAVANAUGH: --just a specific fund, so should that be cash funds?

VARGAS: It should be, unless the way that they, they might have-- they might have assumed that the fund-- the money was moved to the general fund for the--

M. CAVANAUGH: OK.

VARGAS: --purposes of this. That's my assumption.

M. CAVANAUGH: But it's not a new $4 million general fund expenditure?

VARGAS: No.

M. CAVANAUGH: It's just to clarify for the committee--

VARGAS: No.

M. CAVANAUGH: --that it is coming out of this existing pot of money for this? OK. To Director Green's point about-- and his testimony on-- about the prescriptiveness of it, is the intention for the-- it to be a $4 million one and done? Is it intention to be an ongoing? And is it-- there's so many different mechanisms. We can put a trigger that if it gets to a certain level, then a certain percentage has to be spent out. We can do like the tobacco tax, where it's a percentage of each penny goes somewhere. So is that something that you would consider doing or is, for this immediate time, we just want to do this right now, and future Legislatures can address the ongoing idea of this fund?

VARGAS: So we thought about that. And part of the difficult part of this is and you, and you heard it from many people, it's not easy to predict when funding will come in--

M. CAVANAUGH: Right.

VARGAS: --which is why I don't think it's fiscally responsible to say we're going to allocate over, you know, like $15 million every single year, because we won't know if there's $15 million. I think it is, and that's the ride. We, we, we have it at this amount because it's a lot easier to predict. And honestly, if there are no funds in that cash fund, the money won't be appropriated. Unlike a general fund obligation, money will continue to be appropriated because it's a general fund obligation in our budget. If there's not money in this cash fund, there, there will not be money that goes out. It, it also means that if there is more money, it can't get out. So if, if the agency, you know, is thinking about other uses for this fund-- for these funds over the years, they will still be coming, and-- at, at least this is my hope. They will come to the Appropriations Commission-- Committee and let us know where they intend to use these funds so that they ask for a, a cash fund appropriation and a transfer for an allowable use. I don't know what, what it's going to be, but in the meantime, and, and not the short-term, but I think this is a really good framework and I think that's what you heard from other individuals, to make sure that they're getting out without putting constraints, too much, on also, DHHS, which I also don't want to do.

M. CAVANAUGH: I had another question, but I forgot what it is. I think it's that time of night. Sorry.

VARGAS: You know, it's 7:00.

HANSEN: OK. So seeing no other questions, thank you very much.

VARGAS: Thank you.

HANSEN: And that will close our hearing for LB1355. And one more to go. We will now open up LB1325, and welcome back Senator Vargas to open.

VARGAS: Wonderful. Good afternoon, Chairperson Hansen, members of the Health and Human Services Committee. My name is Tony Vargas, T-o-n-y V-a-r-g-a-s. I represent District 7, which includes the communities of downtown and south Omaha, here to introduce LB1325, which would allow pharmacies and retailers to sell fentanyl test strips over the counter to the public. It also allows, but does not require, local public health departments to distribute fentanyl test strips at the local public health department facility without a fee. Fentanyl test strips are inexpensive, effective way to test for the presence of fentanyl, a fentanyl analog, or a drug adulterant within a controlled substance. Fentanyl is one of the most common drugs involved in overdose fatalities. Even a small amount can be deadly, and it can't be identified through sight, smell or taste. It's added to other drugs because of its extreme potency, which makes drugs cheaper, more powerful, more addictive, and more dangerous. Fentanyl test strips provide results within 5 minutes and detect the presence of fentanyl almost 100% of the time. A study involving a community-based FTS distribution program in North Carolina found that 81% of those with access to FTS routinely tested their drugs before use. Those with a positive test result were 5 times more likely to change their drug use behavior to reduce the risk of overdose. Encouraging the use and distribution of these test strips is a cost-effective way to prevent drug overdoses and reduce harm in our communities. I was encouraged to bring this bill after seeing other states' successful bipartisan efforts to enact similar legislation. Though some of these states actually classify these strips as drug paraphernalia, Nebraska has not taken this action and does not consider them to be drug paraphernalia. I'm hopeful that this bill will provide the clarity and clear up any confusion regarding the classification of test strips, and will encourage our public health departments to distribute fentanyl test strips to ultimately reduce the number of drug overdoses and reduce

harm in our communities. I'd also like the committee to know I'm open to working on this. I've heard from stakeholders that adjusting the language from fentanyl testing trips [SIC] to something along the lines of drug-checking products to cover a more broad stroke of life-saving products, I'm happy to work on that. Very, very high level. This is something that's worked in other states. This is an allowable use, as you can tell. No-- nobody's mandate-- mandated to then provide these test strips, but making sure we allow them to do it in state law will ensure that we are providing the clarity and the authority to do so, that isn't already laid out in statute right now. So with that, I'm happy to answer your questions, and I appreciate your time.

HANSEN: Thank you. Are there any questions from the committee? Senator Riepe.

RIEPE: Thank you, Chairman Hansen. I guess my 1 simple question would be is, what's the price point on these things? Do you know?

VARGAS: Oh, [INAUDIBLE] now I'm trying to remember the amounts. And now, I'm trying to-- oh. I didn't hand this out, actually. Oh, this is a good reminder. This is why it's getting late. I forgot to hand out this sheet. It's about $1 per test strip.

RIEPE: $1 a strip? Fair enough.

VARGAS: For my fellow executive board member, about $1 a test strip.

RIEPE: Fair enough. Thank you. Thank you, Chairman.

HANSEN: Yeah, I, I did see that in some of the opposition letters. There was some concern about using taxpayer dollars to pay for strips such as this. So, I think-- some kind of a-- even though-- because local public health departments are the ones giving it out without a fee. So I think it helps kind of knowing how much these actually do cost.

VARGAS: Yeah.

HANSEN: Thank you. All right. Seeing no other questions, thank you.

VARGAS: Thank you.

HANSEN: And we will take our first testifier in support of LB1325.

MARCIA MUETING: Good evening, everybody.

HANSEN: Welcome.

MARCIA MUETING: Chairman Hansen, members of the Health and Human Services Committee, my name is Marcia Mueting, M-a-r-c-i-a M-u-e-t-i-n-g. I'm a pharmacist, the CEO of the Nebraska Pharmacists Association, and a registered lobbyist. The Nebraska Pharmacists Association supports LB1325. Many thanks to Senator Vargas for introducing this bill. The pharmacists in Nebraska were actually very uncertain whether or not providing fentanyl test strips were-- it was considered to be legal, and this bill removes any doubt. I have outlined for you potential benefits of using fentanyl test strips. And I'm happy to enumerate those, but I would prefer to just close by saying there's reasons to use the test strips and I'm hoping that the committee will advance this bill. And I'm, and I'm happy to answer any questions.

HANSEN: All right. Thank you. Are there any questions from the committee? Are these currently-- I, I don't think they're illegal technically, are they? Or do you still get them through a prescription?

MARCIA MUETING: Well, the, the, the question was whether they're considered drug paraphernalia or not. And I got curious because I didn't know the answer to how much they cost. But if you go to Amazon, I believe that you can purchase them. There's no fentanyl in the test strips. But whether-- I mean, I, I, I-- I'm not even smart enough to know what would be considered drug paraphernalia. I'm assuming something that is used to smoke marijuana is considered drug paraphernalia. So I've, I've had lots of pharmacists call me and say, can I sell these? And I, I didn't know the answer.

HANSEN: OK.

MARCIA MUETING: Because we had heard-- we, we had heard both.

HANSEN: OK.

MARCIA MUETING: Considered drug paraphernalia? Not.

HANSEN: OK. Thank you.

MARCIA MUETING: Sure.

HANSEN: Any other questions? Seeing none, thank you very much.

MARCIA MUETING: You're welcome.

HANSEN: We'll take our next testifier in support. Welcome.

LAURA McDOUGALL: Thank you. I'm, I'm wondering if I might be the last one. OK. So, good afternoon, Chairman Hansen and members of the Health and Human-- good evening-- Health and Human Services Committee. My name is Laura McDougall, L-a-u-r-a M-c-D-o-u-g-a-l-l, and I'm the health director at the Four Corners Health Department in York, serving Butler, Polk, Seward and York Counties. I'm here today on behalf of the Nebraska Association of Local Health Directors to testify in support of LB1325. LB1325 would allow local public health departments to distribute the fentanyl test strips at our facilities without a fee and also allow pharmacy-- pharmacies or retailers to sell fentanyl test strips over the counter. We'd like to thank Senator Vargas for introducing the legislation. LB1325 would create new access to fentanyl test strips for the public and community partners. These test strips are a low-cost method of preventing an unintentional drug overdose and reducing harm to our families and communities. The paper strips can detect the presence of fentanyl in many types of drugs that we're seeing in our communities. This test quickly provides people who use drugs with information about the presence of fentanyl in the illicit drug supply, so that they're able to take steps to reduce their risk of an overdose. For those with a family member impacted by a substance use disorder, access to test strips would allow families to test drugs that might be brought home. This could prevent unintentional overdose by the family member with substance use disorder. It could also protect other household members, even younger children or pets who might unintentionally be exposed to pills containing fentanyl. The rubber meets the road in the counties that I serve. My jurisdiction is bisected by Interstate 80 and Highway 81. Illicit drugs are transported using these routes. It's an uncomfortable fact that the methamphetamine and other drugs are present in our communities. Unless you test the drugs with fentanyl test strips, it's nearly impossible to tell if they've been made more dangerous by being laced with fentanyl. Local health directors support LB1325, which would allow our health departments to support our partners and families in our communities through new points of access to fentanyl test strips. This will play a role in preventing drug overdoses and reducing harm caused by the increasing prevalence of fentanyl in illicit drugs. Thank you for considering the legislation. I'd be happy to answer any questions.

HANSEN: Thank you. Are there any questions from the committee? Seeing none, thank you. You're-- maybe, almost the last one. Think-- anybody else wishing to testify in support? Welcome back.

MAGGIE BALLARD: Thank you. My name is Maggie Ballard, M-a-g-g-i-e B-a-l-l-a-r-d, here on behalf of Heartland Family Service, and we are in strong support of LB1325 and appreciate Senator Vargas for bringing this bill forward. I apologize for once again going kind of off-script, off-script here, but I just want to point to the fact that I-- I'm inundated with this information. I take it for granted. And so, I just thought it might be helpful to make sure we were all on the same page about what fentanyl is, how dangerous it is. I provided a few graphics. I know some people prefer that information that way. I also want to jump down to talking about how I first became aware of prescription drug abuse being such a problem. I started working in prescription drug prevention-- or I started with substance abuse prevention in 2014. That's when I met Senator Sue Crawford and started studying prescription drug abuse and how to make Nebraska's prescription drug monitoring program at that time fully functional. That summer, I attended my first conference, where I remember sitting in a session that brought attention to-- in what we considered an alarming number of deaths from overdoses that United States was experiencing daily. That number brought us to $47,000 per year, and 61-- 4-- 47,000 per year, and 61% of those involved in opioid. And it devastates me to my core that if we had 47,000, per year in 2024, that that would be considered a huge improvement. Because as Senator Vargas talked about, like, in 2023, drug overdose death rate reached over 112,000. We are now seeing more people die from drug overdoses than we've ever seen from alcohol, which hasn't happened prior to the year 2020. As many of you know, this problem be-- began because of the overprescribing of prescription opioids. And I could literally speak for hours about the opioid epidemic. And feel free to call on me at any time about that. But as you are probably aware that people's addiction to prescription opioids turn into a desperation for any opioid, including heroin. So then, heroin that they were getting was being laced with fentanyl. And today, we even see counterfeit pills that are being falsely labeled as Xanax or Adderall or things that people are getting from a drug dealer or on Snapchat, from people that they meet in the mall. We're talking about young people. Two years ago, we were warning that 3 out of every 10 counterfeit pills contained lethal doses of fentanyl. Today, it's 7 out of every 10 counterfeit pills that contain a legal-- lethal dose. So I want to ask you to vote LB1325 out of committee. I'd also like to respond to what

Senator Hansen brought up as being something that people have said in their opposition, the concern about spending taxpayer dollars on these strips. I, I, I just-- I, I can't-- with that argument, what that-- the, the flip side of that argument is saying that it's not-- those people, that are perhaps going to die of a-- an overdose, that they are not worth the $1 for a testing strip that can keep them alive. That's what that reasoning says. And that is shameful.

HANSEN: All right. Thank you. Any questions from the committee? Seeing none, thank you. Anybody else wish to testify in support of LB1325? All right. Anybody wishing to testify as an opponent? Anybody wishing to testify in a neutral capacity? All right. Seeing none. Senator Vargas, you're welcome to take the stage one more time, to close. And we did have some letters for the record. We had 5 proponents and then 5 opponents.

VARGAS: Thank you very, very much. Keep this brief. Ask for your support for this legislation. We are-- we did get feedback from some individuals that are in support that want to make sure we just have some clarity of language, which we'll bring to the committee. But as you can see, a part of our job is sometimes to make sure that when we do or do not have clarity on whether or not something can and cannot be allowed, we have a responsibility to look at that kind of language. And so this enabling legislation, which I like to call, will make sure that we can save more lives. And, you know, there's a reason why I don't have a lot of people here testifying about the loss of life, because I don't want that to be the reason why you decide to do this. Because the statistics should tell enough of the story about this epidemic and what we should be doing proactively to prevent it. And so, thank you very, very much for hopefully supporting this bill and for being the last-- this is my last bill that I'll be introducing in HHS. So it's very, very also bittersweet. So I appreciate you taking the time to hear me out. And it's always been great coming to this committee. And it'll be very sad to, to not be able to be in front of this committee ever again. So thank you.

HANSEN: On that note-- thanks for that.

VARGAS: Sorry.

HANSEN: Any other questions from the committee? Seeing none, thank you, Senator Vargas.

VARGAS: Thank you.

HANSEN: And that will close the hearing for LB1325, and close the hearing for today.