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HARDIN: Welcome to the Health and Human Services Committee. I'm Senator Brian Hardin, District 48, and I serve as chair of the committee. The committee will take up the bills and the appointments in order posted today. This public hearing is your opportunity to be a part of the legislative process and to express your position on the proposed legislation before us. If you're planning to testify today, please fill out one of the green testifier sheets there on the table, in these little rooms off to the side, and be sure to print clearly. Fill it out completely. Please move to the front row to be ready to testify. When it's your turn to come forward, give the testifier sheet to the page. If you do not wish to testify but would like to indicate your position on a bill, there are also yellow sign-in sheets on that same table for each bill. These sheets will be included as an exhibit in the official hearing record. When you come up to testify, please speak clearly into the microphone. Tell us your name, and spell your first and last name to ensure we get an accurate record. We'll begin each bill hearing today with the introducer's opening statement, followed by proponents of the bill, then opponents, and finally, by anyone speaking in the neutral capacity. We'll finish with a closing statement by the introducer if they wish to give one. We'll be using a three-minute light system for all testifiers. When you begin your testimony, the, the light on the table is going to be green, then it goes yellow, and then red, just like a stoplight. And the red light means: time to stop. Questions from the committee may follow, which do not count against your time. Also, committee members, like me, may come and go during the hearing. Folks, we're down to this is the last 2 days of hearings. So we're all running around and doing hearings like crazy today. So it doesn't mean the bill's not important, just means we're doing the same thing that's going on here in other spots in the building. And so, so you'll see us come and going during the hearing. And so, a few final items to facilitate today's hearing. If you have handouts or copies of your testimony, please bring up at least 12 copies. Give those to the page. Please note that thumb drives, CDs, DVDs, oversized documents, books, lists of signatures, and similar items will not be accepted as exhibits for the record. Props, charts, or other visual aids cannot be used simply because they cannot be transcribed. Please silence or turn off your cell phones. Verbal outbursts or applause are not permitted in the hearing room. Such behavior may be cause for you to be asked to leave the hearing.

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Finally, committee procedures for all committees state that written position comments on a bill to be included in the record must be submitted by 8 a.m. the day of the hearing. The only acceptable method of submission is via the Legislature's website at legislature.nebraska.gov. Written position letters will be included in the official hearing record, but only those testifying in person before the committee will be included on the committee statement. You may submit a position comment for the record or testify in person, not both. I will now have the committee members with us today introduce themselves, starting with Senator Riepe.

RIEPE: Thank you, Chairman. We're glad you're here. We're glad to see a large group out for participation in democracy. I'm Merv Riepe. I represent District 12, which is Omaha, Millard, and the fine little town of Ralston.

FREDRICKSON: Good afternoon. I'm John Fredrickson. I represent District 20, which is in central west Omaha.

QUICK: Dan Quick, District 35, Grand Island.

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

HARDIN: Also assisting the committee today, to my left is our research analyst, Bryson Bartels. To my far left is our committee clerk, Barb Dorn. Our pages for the committee today are--

SYDNEY COCHRAN: Hello. I'm Sydney, and I'm a sophomore studying history at UNL.

DEMET GEDIK: Hi. My name's Demet Gedik. I also go to UNL, and I study political science.

HARDIN: And with that, we're going to begin today's appointment hearings. And we're going to begin-- listen up there. We're going to begin with a, a Zoom-oriented call from David Owens and the Stem Cell Research Advisory Committee. Are we ready to go, Steve?

I think so.

HARDIN: Wonderful. David, can you hear us?

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DAVID OWENS: I can. Loud and clear. Good afternoon.

HARDIN: Nice. We can hear you, as well. David, would you be willing to give us some background information, tell us about your situation, professionally and whatnot? Maybe run down some of your resume for all of us, for the sake of the record, and then maybe just share with us what you're looking forward to, if you were to con-- to serve on the Stem Cell Research Advisory Committee.

DAVID OWENS: Of course. So my name is David Owens. I'm a professor in the Departments of Dermatology and Pathology and Cell Biology at, at Columbia University. I've been a faculty member at Columbia since 2003. Been, been here for a while now. So my training is in epithelial stem cell biology, which is most relevant for, for this discussion. I also have an interest in, in cancer immunology, as well. So I've been-- this is now my second-- I've-- my second three-year term on this advisory committee. And, and now, looking to, to serve another three years. You know, I, I would say that over the last six years, it-- it's, it's been an, an exciting experience to see the, the variety of disciplines that are being investigated in the state of Nebraska with relevance to, to stem cells. And so for me, it-- it's fulfilling to support these, these early seed grants and watch them develop into more mature programs that use or try to leverage stem cell biology in downstream therapeutic applications.

HARDIN: Dr. Owens, can you give us a brief thumbnail sketch, just to whet our appetites of the kinds of things that you find interesting that you're getting the chance to work on here?

DAVID OWENS: Sure. So, you know, I, I think I've, I've seen applications related to bone marrow stem cells, mesenchymal stem cells, bioengineering applications that look for ways to improve stem cell engraftment therapeutically, so this has a lot of relevance for wound-healing applications. There, there are cancer stem cell applications that we commonly see each year, looking for ways to target stem-cell relevant pathways that tumor cells use to grow and spread in the body. We're now starting to see computational or more mathematical applications that look to model stem cell behavior in the body and also induce pluripotent stem cell applications. We see those each year. These are really important, particularly for rare diseases, where tissue or cells or other critical resources are really in short

supply. So, so using iPSC-related technology to expand cells from the same patient, correct the problem, and then reintroduce those cells back to the patient is, is really the goal and, and induced pluripotent stem cell methods are, are really key to, to those types of approaches.

HARDIN: Can I ask just because it tends to be the thing to ask about, and that is how is AI playing into your research?

DAVID OWENS: So, it-- it's everywhere. So, you know, we're, we're using AI as faculty. Students use it. At every level, you see AI being used, whether it's writing a paper, writing a grant, or, or even analyzing data. You know, the-- I think the, the curbs or the rails for us are just understanding that anything confidential that we are working with, if we use AI applications, we have to be careful with confidentiality. But, but AI is a great resource, because it, it can comb the literature exponentially faster than we can, and it can process big data sets much, much faster than we can. So big data sets that we generate can be rapidly integrated with, with data sets that are-- that, that are produced by other institutions by other investigators, so this is just a powerful resource that, that we can't really ignore.

HARDIN: Turning to the committee, Senator Fredrickson.

FREDRICKSON: Thank you, Chair Hardin. Thank you, Dr. Owens, for your willingness to serve in this capacity, and for your work. You, you struck me-- you mentioned you were a professor at Columbia. Are you, are you based in New York or in Nebraska?

DAVID OWENS: So I, I live in Connecticut and I, I work in Manhattan.

FREDRICKSON: Got it. And what's your connection to the state of Nebraska?

DAVID OWENS: So my connection is, is my, my appointment to this committee. I, I don't have an official appointment at, at any of the universities in Nebraska, but I, I guess, six years ago, I was-- was my initial appointment to this advisory committee.

FREDRICKSON: Excellent. All right. Thank you, sir.

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DAVID OWENS: Yeah.

HARDIN: Other questions? Senator Riepe.

RIEPE: Thank you, Chairman. Thank you for being with us, Dr. Owens. I think my partner here, Dr., Dr.-- almost-Dr. Fredrickson, is a Columbia and a new NYU graduate, so I think you really perked his interest when he was exploring where you come from. My question is this. Do you have-- and your committee-- concerns about some of the cuts that have been made or proposed to be made in the state funding? Does that come down and impact on the stem cell, or do you have a plan B to make any changes cover?

DAVID OWENS: So this is a great question, I thank you for this. So, historically, the state of New York did have a STEM self-funding mechanism similar to what you have in Nebraska. And it was actually-- it actually played a big role in my recruitment to Columbia following my, my post-doctoral training. That-- several years ago, that program was eliminated from the New York state budget. And it, it has hindered our ability to recruit top stem cell investigators at Columbia and broadly-- more broadly, in the state of New York. It-- it's had a detrimental impact. And so, I think what you're alluding to is this is now compounded by, let's say, federal-level funding and, and how this resource has now dried up to some degree. So really, what's happening at the federal level is made what you're doing at the state level even more critical. This is such a valuable resource, particularly for young investigators in, in, in these universities in the state of Nebraska, who have stem cell programs. It's absolutely vital to, to, to fund their early, their early work and get them established.

RIEPE: Thank you. I think it's great that we reach outside of our own state to get enough diversity and very solid talent, which-- of which you are, so thank you very much. Thank you, Chairman.

HARDIN: Thank you very much. Seeing no other questions, we really appreciate it, Dr. Owens. Thank you.

DAVID OWENS: Of course. My pleasure. Thank you.

HARDIN: And this concludes David Owens' Stem Cell Research Advisory Committee appointment. Now we have two appointees who are here in

person. We can do that, too, here in Nebraska. And so, Jim Ulrich will be up next with the Nebraska Rural Health Advisory Commission. Come on down. Welcome back.

JIM ULRICH: Yes. Long time no see, right?

HARDIN: We are ready when you were.

JIM ULRICH: All right. Sounds good. My name is Jim Ulrich, J-i-m U-l-r-i-c-h, and I'm the CEO of York General, York, Nebraska. I've been working in the health care industry for 38 years. Prior to my 9 1/2 years that I've been in York, I was in McCook Community Hospital for about 16 1/2 years. I also started my healthcare experience as a CPA, so I went through the account-- the accounting side and the finance side with a firm called Seim Johnson out of Omaha, and now they're known as Eide Bailey. So I went to dozens and dozens of audits of rural, rural hospitals all over the state. Why do I tell you that history? To illustrate the 33 years of me working and really, 26 years of me living also, in rural communities. York General's mission is regional excellence through enhancing health and providing accessible care. I have a passion to ensure that we can continue to provide local access to excellent care for the patients in need in our region today and for years to come. So the mission of the Rural Health Advisory Commission includes focusing on improving access and supporting rural providers, so you can see that my passion lines up real well with the mission of the commission. That is why I want to be a part of the Rural Health Advisory Commission. So thank you for the introduction time, and I'm happy to answer any questions.

HARDIN: Appreciate you being here. As you look forward, because you're-- you, you live in it and have been a part of it for almost 4 decades, and so what do you see leaning into, let's say these next 5 years. What's key for the medical desert that we continue to refer to, here in Nebraska, and kind of just give us your thoughts. How do we need to change our thinking? How do we need to keep it the same? What kinds of thought processes do we have to be avidly destroying that just no longer works anymore and we have to stop kidding ourselves?

JIM ULRICH: Yeah.

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HARDIN: Talk us through what you see coming next, in the-- let's say the next 5, 6 years.

JIM ULRICH: Today, and I see going forward, is that one of the biggest challenges we have in rural communities and rural healthcare, for sure, is workforce. A lot of times you're asked, what is that biggest challenge? And it's, what are your biggest challenges? It's usually workforce and workforce, is what we say. Just having those talented professionals that we can recruit is key. And now, there's programs that can certainly help with that. And ironically, one of those is-- it's one of the main oversights in this Real Health Advisory Commission and that is the Rural Health Provider Incentive Program-- is one of those. And those are loan-- can be loan matching funds for us in recruitment, and recruitment is also vital for providers, as well as other clinicians that we would have in a rural healthcare setting. As we have aging population, that's only going to get harder. So I do see that LB1071 is looking to cut those, and I hope-- that's why I'm concerned about that, because you lose some of those, those funds. And so, you talk about medical deserts a little bit, and access to care weaves into this very, very quickly. Because it-- my goal and my passion in both of the-- both McCook and York-- being there-- is to maintain and even improve that local access to care. So you can't just do it just having funds provided for you like loan repay-- payment funds. You have to do things to take care of your own town and your own facility. So good cultures is huge, friendly culture, working together, good teamwork, good collaboration is key, being involved in your communities, so you have strong communities, as well. Because I'm a firm believer is that you need strong healthcare to have strong communities, but you also need strong communities to support that strong healthcare, as well. So with that, I hope I answered your question.

HARDIN: Yes. Thank you. Questions? Senator Quick.

QUICK: Thank you, Chairman. My question was on the, you know-- that-- your work that you did when you did audits for the-- on the rural hospitals.

JIM ULRICH: Uh-huh.

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QUICK: And so, I think that's an interesting aspect, and it really probably helps you in this role. But can you talk a little bit about the audit and what all you looked at?

JIM ULRICH: Oh, man. And you're, you're dating me a little bit, so I'll go back in time. It was-- you can tell by the math and everything if you do that, that was in 1988-1995, OK. So definitely more paper-driven than it is today, but you would look at all the books of the hospitals and the nursing homes, and making sure their assets and liabilities were appropriate-- appropriately stated. Same with their, their income statement, that things look reasonable. So you were presenting a picture of what their financial position really was. And that's part of an audit. And that did testing, conversations, interviews, but auditing is a lot of tick marks and checks and proving with documentation and things like that, so I did that for quite a while. I think I was out in the western part of the state-- a hospital in Oshkosh, for instance. I was there for 7 years--

QUICK: Oh, wow.

JIM ULRICH: --you know, on their audit, so I got to know a lot of areas on all corners of the state, actually.

QUICK: All right. Thank you.

HARDIN: Senator Riepe.

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

JIM ULRICH: Yeah.

RIEPE: Was the Rural Health Advisory Committee involved in the creation of the plan which resulted in Nebraska receiving $218.5 million, which we have to spend by the last day of October? Was your advisory committee involved in that, or was that sort of done through DHHS alone, and then you received it along with everybody else, when you were probably, as rural, the most impacted-- or supposed to be.

JIM ULRICH: Yeah. Yeah. Not to my knowledge, on this commi-- commission were they heavily involved--

RIEPE: OK.

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JIM ULRICH: --in that. But I'll tell you, the DHHS, in working with our rural hospitals have been-- were really involved in this process--

RIEPE: OK.

JIM ULRICH: --and trying to outline what those needs were, and they, and they--

RIEPE: I know they were on a short turnaround time.

JIM ULRICH: --continue to be. What's that?

RIEPE: They were on a short turnaround time.

JIM ULRICH: Very much so. And, and you know, I know it's laid out in some of the rules that the Real Health Advisory Commission will have a part, probably, in some of that oversight-- of some of that. And so, I, I do look forward to that, both from my accounting background and just my knowledge in, in rural healthcare.

RIEPE: Is there a, is there a chance that they will personally give you $100 million to figure out what to do with?

JIM ULRICH: I don't believe there's a chance of that. I wish there was. Yeah.

RIEPE: Thank you. Thank you, Chairman.

HARDIN: Other questions? Seeing none, we appreciate you being here, Mr. Ulrich.

JIM ULRICH: All right. Thank you.

HARDIN: This concludes our appointment hearing today, for Mr. Ulrich, with the Rural Health Advisory Commission. We're going to be moving next to Tracy Zamora, Rural Health Advisory Commission. Welcome.

TRACY ZAMORA: Hi\. Good afternoon. My name is Tracy Zamora, T-r-a-c-y Z-a-m-o-r-a. I'm the administrator at Heritage of Bel Air, a long-term care and rehabilitation provider in Norfolk, Nebraska. I've been nominated to serve on the Rural Health Advisory Commission. Throughout my career, I've held various roles in senior care. I started as a CNA

when I was 16 years old, which was 34 years ago. I've served as social service director and now as a licensed nursing home administrator. I also have a degree in behavioral science. I have the privilege of leading a team that serves more than 100 seniors in our community who need daily care. Our community has consistently received five-star ratings from our regulator at CMS. If my nomination's approved, I look forward to providing my perspective to the commission. And thank you all for your consideration. I'd be glad to answer any questions you may have.

HARDIN: Thank you.

TRACY ZAMORA: Yeah.

HARDIN: Appreciate you being here. Your resume reads very much like my mom's did, so I, I appreciate that. Also from a rural area. So tell us about this, leaning forward. Same type of question that we've asked before, because you don't get to deal with what was, you have to deal with what will be.

TRACY ZAMORA: Correct.

HARDIN: Right?

TRACY ZAMORA: Yes.

HARDIN: What do you look at, and what makes you concerned, what are your thoughts, what are your innovations you would like to bring to it?

TRACY ZAMORA: Sure. Much like Mr. Ulrich said, of course, workforce is a struggle in our industry, in long-term care. Finding proper staffing, BSN, RN coverage is probably the biggest need. After COVID, of course, we had some problems getting people into our workforce. But my goal, I guess, is to make sure that-- the funding and that we will continue to keep our talent within Nebraska and helping in long-term care.

HARDIN: Thank you. Questions from the committee? Seeing none, we appreciate it very much.

TRACY ZAMORA: Thank you.

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HARDIN: This concludes our appointment hearing for Tracy Zamora, for Rural Health Advisory Commission. And I'll be turning things over. OK. Let me do that real quick.

FREDRICKSON: Real quick?

HARDIN: Yeah. I'll just do it real quick here and get it out of your way.

FREDRICKSON: Perfect.

HARDIN: So.

FREDRICKSON: All right. So the, the chair of the committee has some bills up in some other hearings, but he's going to quickly, I think, introduce LB796 [SIC]. So Senator Hardin, you are welcome to open on LB746-- excuse me.

HARDIN: LB746. So today, folks, I'm going to do what I have always dreamed about doing for 4 years, and that is waive my opening. This was a shell bill, and we're not doing anything with it. With that, I'd like to waive.

FREDRICKSON: I'm assuming you're waiving closing, as well.

HARDIN: I will. Thank you. Yes.

FREDRICKSON: OK.Sounds good. Thank you, Senator Hardin. Any proponents for LB746? Any opponents for LB746? Anyone in the neutral capacity for LB746. There were no online comments for LB746. Senator Hardin has waived his closing, so that will end our hearing for LB746. That was the quickest hearing we've, I think, ever had. So we will now move on to our next bill, which is LB958. That is with Senator Machaela Cavanaugh, who is possibly on her way. She probably didn't expect that hearing to go as quickly as it did. Oh, is DeKay-- oh, I'm sorry. I totally skipped over the next-- it's-- we're going to LB796, with Senator DeKay, who was also maybe not expecting that last bill to go so quickly. All right. We'll give Senator DeKay a few moments to come into the room.

RIEPE: You want to motion to IPP while he's not here?

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BALLARD: He waived his opening?

RIEPE: We'll be out of here at 2:00.

BALLARD: I'm sure Transcribers love that.

RIEPE: I don't think so, I don´t think anyone is--

BALLARD: That'd be nice to have heads up. Like, what are we doing?

FREDRICKSON: All right. Senator DeKay, welcome to HHS.

DeKAY: All right. You want to pass these out? Thank you.

FREDRICKSON: We're ready when you are.

DeKAY: Thank you. Good afternoon, Vice Chairman Fredrickson and members of the Health and Human Services Committee. For the record, my name is Senator Barry DeKay, spelled B-a-r-r-y D-e-K-a-y. I represent District 40 in northeast Nebraska, and I am here today to introduce LB796. LB796 is a shell bill I introduced to serve as a placeholder in the event legislation proved necessary to address an issue relating to this committee. Well, now there is a problem. I'm going to mostly use myself as an, as an example. Some background. I live in northwestern Knox County, which is about 3 miles from the Boyd County line. I don't have a lot of options to pick up my prescriptions. From my house to the pharmacy in O'Neill is about 55 minutes away, one way. From my house to Creighton is about 45 minutes, one way. Yankton, South Dakota is a little over an hour from my place, one way. So if I need to go pick up a prescription, it is about 2 hours of my day, round trip. For a while now, the pharmacy in O'Neill had an arrangement with Niobrara Valley Hospital in Lynch, Nebraska, which is in Boyd County. The arrangement was that someone in O'Neill would drive up to Lynch daily, drop prescriptions off at the hospital, and allow people to pick up their prescription at the hospital. The hospital maintained the prescriptions in a secure storage and had someone there, like a nurse, to verify that the person picking up the prescription is supposed to be doing so. Under the Nebraska Revised Statute Section 38-2850, what had been occurring in Lynch appeared entirely permissible. For me, living close to Boyd County, this meant I could pick up my prescriptions in about 40 minutes round trip and have some flexibility on when to pick-- pick-up time would be, like you do any other

pharmacy here in the metro. However, sometime last year, DHHS notified Niobrara Valley Hospital that the arrangement I just described is no longer considered permissible. For me, this resulted in me now having 2 options: 1) I'd have to drive 2 hours round trip to a pharmacy in O'Neill to pick up my prescription; 2) I would have to drive to Lynch and wait in line on a day the prescriptions come from O' Neill and arrive for pickup. With this option, you only have, and I emphasize this: we would have a 15-minute window, from 2:45 to 3:00 p.m. in the afternoon, Monday through Friday, to pick up your prescriptions. So if you were late, too bad. They would come the next day. A lot of prescriptions are refrigerated, and making that trip back and forth several times could be a problem This has been frustrating for me because now I could be busy moving cattle or fixing fence or doing other ranch errands, and now I have to leave my work unfinished or my hired hands without me, while I either drive 2 hours to O'Neill or spend an hour in Lynch in the afternoon. Whereas before, I had some flexibility to choose when to come pick up my prescriptions. My wife works full-time in Verdigre and Bloomfield Monday through Friday, so having her pick up the prescriptions during the week is not feasible, unless she happens to have the day off or is going to drive down to O'Neill on a Saturday. A couple weekends ago on a rece-- recess day, I spent at least an hour at the hospital waiting for prescriptions to arrive before cutting my losses and leaving, meaning I had to go to 2 days without prescriptions since I ran out of time, and while being down here in Lincoln in-- for the session. Now, this just isn't me with this issue. This is a problem that affects much of Boyd County, western Knox County, and northern Holt County. The amendments handed out represent a possible fix that would reinstate arrangements when a-- where a pharmacy can permit pick up for prescriptions at a separate healthcare facility, like a hospital. AM2328 was drafted with input from the DHHS, and includes also, language that represents-- excuse me-- feedback from the Nebraska Pharmacists Association. Specifically, the bill would clarify that individuals employed by a facility where dispensed drugs and devices are delivered from a pharmacy to be picked up by a patient or caregiver, as requested by the patient, are not considered to be engaging in the practice of pharmacy if, if the following specific criteria are met: (a) the drug or device has been prepaid by the patient or a caregiver; (b) the dispensing pharmacist has offered patient counseling either prior to or at the time of dispensing; (c) the drug or device is maintained in

the packaging as received from the dispensing pharmacy and stored in accordan-- in accordance with the manufacturer's recommendation and kept in a separate area from other drugs or devices held by the healthcare facility, like maybe a clearly-designated, secured, locked storage cabinet that is separate from the pharmacy-- the hospital pharmacy storage cabinet; the drug or device being delivered is not a controlled substance; a drug or device that is not picked up within 30 days after delivery is donated or destroyed by the healthcare facility or returned to the pharmacy and is not eligible for a refund of any amount paid; (f) the healthcare facility has implemented a written policy related to the donation or destruction of a drug or a device that is not picked up by the patient or caregiver within 30 days after delivery to the facility; and (g) the healthcare facility maintains documentation of the delivery of a drug or device under this subsection, including the date received, the name of the pharmacy, the name of the patient, the signature and printed name of the individual picking up the drug or device, the date it was picked up, and the date of donation, destruction, or return to pharmacy. The bill also makes clear that a healthcare facility other than a pharmacy, acting in accordan-- in accordance with this bill, shall not be liable for the contents of a drug or device delivered to a patient, that is the decision to accept a drug or a device for delivery to a patient rest solely within the receiving facility. DHHS, with the recommendation of the Pharmacy Board, would then have the authority to promulgate rules and regulations to implement this bill. I want to close by noting that there is a critical shortage of rural pharmacies. A 2022 report by UNMC noted that 13 of Nebraska's 93 counties have no practicing primary care physician. 16 counties do not have a pharmacist. The arrangement between Niobrara Valley Hospital and the pharmacy in O'Neill had been a way to help ensure some people in part of rural Nebraska could access their prescriptions without spending a considerable part of their morning or afternoon in a car driving. With this issue in mind, we need to be creative in how we look at access. I used myself as an example, but I will want to point out that there are many others living in the area who now struggle to drive long distances. This can be really concerning for elderly, and during times when there are adverse weather conditions, but they need to get their prescriptions. I acknowledge that this bill is still a work in progress, and that there are testifiers following me on this amendment. I also want to add, again, I have, I have appreciated the

help of Niobrara Valley Hospital, the O'Neill Family Pharmacy, the Nebraska Pharmacists Association, and DHHS, for trying to work through this issue as best that we can. I would be happy to try to answer any questions, but be aware, the amendment I handed out was delivered towards the end of yesterday. And with that, I would-- about the amendment, the testifiers behind me will be able to clear up any questions you may have with that. With that, thank you.

FREDRICKSON: Thank you, Senator DeKay. Questions from the committee? Senator Riepe.

RIEPE: Thank you, Chairman. I would ask you if you would be willing to maybe partner up. I have a-- LB20-- or LB1211. It has some similarity in terms of after-hours access. And so, I'd like to at sometimes, if you'd be willing to, to sit down and see if we can merge these together, to maybe--

DeKAY: Absolutely.

RIEPE: --get them both across the line.

DeKAY: Absolutely, when it comes to rural health care and the need for it, I would be-- any way we can put a package together to make it more accessible to rural clients--

RIEPE: OK.

DeKAY: I would be very happy to do that.

RIEPE: At least we could explore if we can complement one another, so I appreciate that. Thank you very much. Thank you, Chairman.

DeKAY: Thank you.

FREDRICKSON: Other questions? I have one. So first of all, thank you for being here, Senator DeKay. And so I-- and I, I, I understand that you, you just got this amendment, as well. So I'm, I'm reading this, too. So we're kind of-- this is new to all of us, I think. But I, I-- so I just want to make sure I'm understanding this correctly. So when it says like designated facility, is that like a hospital, or medical clinic, or?

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DeKAY: Yes. This would-- Niobrara Valley Hospital is a hospital. For the last several years, O'Neill Family Pharmacy would bring a vehicle over one time a day, drop off the drugs. Obviously, a hospital is a 24-7 facility, so you did not have to be there in that 15-minute window.

FREDRICKSON: OK.

DeKAY: I mean, even if you're in Lincoln or Omaha and you're on your job--

FREDRICKSON: Right.

DeKAY: --it's tough to get to a Walgreens in 15 minutes.

FREDRICKSON: Yeah. So the idea being that-- I just want to make sure I understand-- is that, is that the, the medication would be kept at a, at a medical facility that's open 24-7.

DeKAY: And the other part of that medical facility would be in towns that do have-- that are affected by this, too. If there is a clinic-- outreach clinic, medical clinic, say, from Avera, Sanford, UNMC, whatever, they could be a designated drop-off point. It gives it a little more flexibility, 8-9 hours, for people to have it-- more time for flexibility--

FREDRICKSON: Yep. Absolutely.

DeKAY: --to be-- come in and pick it up. Especially when you're in rural areas, 20, 30 miles from town, it makes it a lot more difficult. And U.S. Postal Service is a little slow with-- so with refrigerated drugs, it's tough to know you're going to get them overnight.

FREDRICKSON: Yeah. Understood. Thank you. Other questions? Seeing none, thank you, Senator DeKay. Will you be here to close?

DeKAY: Yes.

FREDRICKSON: All right. Sounds good. We will now move on to proponents for LB796. Welcome.

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RYAN McINTOSH: Thank you, Senator Fredrickson, members of the committee. My name is Ryan McIntosh, R-y-a-n M-c-I-n-t-o-s-h, and I appear before you today on behalf of the Nebraska Pharmacists Association to testify in support of LB796. Senator DeKay did take much of what I would have said. As he indicated, this is a, is a, a constituent and member of the NPA-driven issue. I've distributed you a map that we put together last fall, in September of 2025, in preparation for some PBM hearings. We update this every couple years. And it's alarming how much this map changes as time goes on., Even from the 2022 study that Senator DeKay referenced. That number has jumped from 16 to 23 counties without a, a pharmacy. 26 counties only have one pharmacy. The growing pharmacy desert in Nebraska is a continuing issue. Between 2010 and 2021, over 1/3 of all pharmacies nationwide closed. From 2018 to 2025, 137 pharmacies closed in Nebraska, and that makes issues like what LB796 is addressed to deal with ever more important. As Senator DeKay mentioned, what was occurring between O'Neill and the hospital in Lynch occurred year after year without issue, and appears to be completely permissable under 38-2850. This, due to, to-- for whatever reason, they're no longer able to do that, and we're trying to resolve that and put appropriate guardrails in place. I appreciate feedback from the Department of Health and Human Services in doing so. Senator DeKay hit pretty much everything in the amendment. I might hit a couple high points. Senator Fredrickson, to your point on facility, that is defined within the act. That's a hospital, a medical clinic, so there is a, a definition found elsewhere in the, the Pharmacy Practice Act for facility. That is a medical facility. We've had questions on well, how did-- and same with LB1211, by Senator Riepe. What about patient counseling? Patient counseling is offered at the time that the prescription is filled and paid for, same as mailorder form prescriptions. This does not apply for controlled substances so there won't be any controlled substances involved in this pickup. The department suggested 30 days would be an appropriate timeline before the medication either be destroyed or donated pursuant to the law that the Legislature passed 2 years ago, to allow for prescription drug donations. So we do believe the guardrails contained in LB-- the amendment to LB796 that Senator DeKay distributed appropriately preserve the ability for this to occur and to give medications conveniently to patients, while also ensuring patient safety. LB204 passed 2 years ago. That was introduced by Senator Riepe. That

significantly increased dispensing fees for Medicaid, that's done kind of a long ways to keeping rural pharmacies open. However, that does not cover all independent pharmacies, and until-- and I'm wrapping up now-- until we slow the pharmacy desert and closure pharmacies, bills like LB1211 and this are extremely important for Nebraskans' health. Thank you.

FREDRICKSON: Thank you for your testimony. Are there questions from the committee? Senator Riepe.

RIEPE: Thank you, Chairman. I'm always interested when we look at counties, but in, in my world, I would like more the use of a protractor to try to say, out of centers, what's the catchment area, if you will, because it might overlap counties, which, to me, then, would be a, a way of determining what the access really is-- if it was, you know, by catchment areas, if you will. I know we don't have-- we keep statistics in the state by counties, but from-- when it gets down to healthcare, that's rather irrelevant.

RYAN McINTOSH: Well--

RIEPE: You know, they could live next door to the next county and you don't get credit for it. That's where I'm--

RYAN McINTOSH: They, they could. And really, the intent of this map is, is-- and I should have brought past versions just to show how fast this is growing. And as you know, Senator, pharmacy deserts exist in the city of Omaha. Maybe not within Ralston, but within the city of Omaha, there's a number of pharmacy deserts, where there's not available public transportation to conveniently get somebody to or from, so it is not just a rural issue. It is a, a statewide issue, including in, in urban areas. But your point is taken.

RIEPE: OK.

FREDRICKSON: Thank you.

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

FREDRICKSON: Other questions? Seeing none, thank you for being here.

RYAN McINTOSH: Thank you.

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FREDRICKSON: Next proponent for LB796. Seeing none, we'll move on to opponents for LB796. Seeing none, is there anyone here to testify in the neutral capacity for LB796? Dr. Tesmer, welcome.

TIMOTHY TESMER: Good afternoon. Good afternoon, Vice Chair Fredrickson 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'm the Chief Medical Officer of the State of Nebraska, working within the Division of Public Health in the Department of Health and Human Services, DHHS. I'm here to testify in a neutral capacity for LB796. The department has worked with Senator DeKay on amendment language to substitute for this placeholder bill. The proposed amendment will allow additional flexibility for certain prescription medications to be picked up by consumers at a healthcare facility other than a pharmacy, while maintaining health and safety guardrails. Thank you for your time. I'm happy to answer any questions on this bill.

FREDRICKSON: That was very, very robust testimony.

TIMOTHY TESMER: Different than what I usually give. I usually give out an, an auctioneer voice.

FREDRICKSON: Any questions from the committee? I'm seeing none. Thank you for being here.

TIMOTHY TESMER: Thank you.

FREDRICKSON: Is there anyone else here to testify in the neutral capacity for LB796? Seeing none, we did have some online comments. Senator DeKay, you are welcome to come up to close. Actually, I'm sorry. I misspoke. We did not have any online comments for LB796. Senator DeKay, you are welcome to close.

DeKAY: Thank you. And once again, I appreciate the dialogue that I've had with the Pharmacists Association and with DHHS, to work in cooperation to try to resolve an issue for rural Nebraska. Mr. McIntosh passed out the map, and, and there are-- you can-- and I would use Cherry County as an example. In Cherry County, it shows that there is a pharmacy. How far those people would have to travel within Cherry County, rather it be to Valentine or down south toward Hyannis or something, those are questions that I don't have the answers to,

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but showing that there is a pharmacy in the county doesn't negate that the amount of travel and time expend-- expended on this issue. So with that, I think this-- I think we have an opportunity to do something good for rural Nebraska, and in long-- long-term viability with pharmacies and health care for rural Nebraska and, and not put people in harm's way in adverse winter conditions, which we probably haven't had a lot of the last couple of winters, but the opportunity is still there. And, and like a lot of rural Nebraska towns, it's more of an elderly population, so putting 80-85-year-old people out to drive 20, 30 miles to pick up prescriptions when maybe they shouldn't even be driving around town, it puts a lot of people at risk. So with that, I appreciate your-- opportunity to present to you guys today, and thank you for your time.

FREDRICKSON: Thank you, Senator DeKay. Are there questions from the committee? Seeing none, thank you for being here. That will close our hearing for LB796.

M. CAVANAUGH: Good afternoon.

FREDRICKSON: Senator Cavanaugh, welcome.

M. CAVANAUGH: Thank you, Vice Chair Fredrickson and members of the Health and Human Services Committee. My name is Machaela Cavanaugh, M-a-c-h-a-e-l-a C-a-v-a-n-a-u-g-h. I represent District 6 in west central Omaha, and I'm here today to discuss LB958, with an amendment that's being handed out to you all, AM2345. For those that are watching at home or listening, I filed the amendment before we adjourned for the day, so it is available online to look up what we're discussing. So, OK. As introduced, LB958 was about protecting services for Nebraskans with disabilities by ensuring legislative oversight when waiver changes could reduce or cap care. Since then, the Governor revised the proposed waiver in response to significant public input. And I want to acknowledge the families, providers, advocates who spoke up. Their advocacy made a difference. However, the concerns did not stop with the waiver itself. Families and providers are now navigating a new assessment system, interRAI-- I want to say that right-- interRAI, that determines eligibility, service tiers, and ultimately, whether someone can remain safely at home when those determinations are unclear, inconsistent, or difficult to challenge. The consequences are immediate and deeply personal. So I listened. I met with families,

providers, and advocates, and I have brought forward AM2345. And I'm just going to pause from my written remarks to say, and so did Margaret. And she did an amazing job, and I am just so grateful to her and her hard work, because she just got married over the weekend, and she pulled this together. I'm like beyond blown away. OK. So AM2345 is a white copy amendment that replaces the original bill, keeps the same goal, stability, transparency, and fairness for Nebraskans with developmental disabilities and others receiving waiver services. This amendment focuses on 4 practical safeguards. First, it requires the department to train assessors in clinical interviewing. These assessments are not just checklists. They rely on human interaction, judgment, and the ability to understand a person's functional reality. Clinical interviewing ensures access-- assessors can ask follow-up questions, clarify responses, and accurately capture the needs of the individual in front of them. Second, the amendment requires clear, specific explanations of eligibility and service-tier decisions. Families deserve to understand not just the outcome, but how the outcome was reached: the scoring, the metrics, and the reason behind it. Transparency is essential for trust and for accountability. Third, if services are reduced or denied and an appeal is filed, the individual or their guardian will have the right to an independent evaluation at the state's expense, and that evaluation can be used as evidence. Appeals should be meaningful, not symbolic. Fourth, the amendment requires reports to the Legislature, the Ombudsman, and the Oversight Committee over the next 2 years on how interRAI is working: with metrics-- what metrics are used, how many people's services changed, why those changes occurred, and how the department and its contractors are complying with new federal access and grievance requirements. This ensures legislative oversight during the implementation of a major system change. The amendment does not stop the department from using interRAI. It does not prevent modernization. It simply ensures that as Nebraskans transition to a new system, we do it in a way that is transparent, accountable, and centered on the people whose lives depend on these services. Families are not asking for special treatment. They are asking for-- to understand decisions to be heard, and to have confidence in-- that the system is fair. I remain committed working with the department, this committee, the advocacy community, to make this workable for all Nebraskans. And I'm happy to take any questions.

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FREDRICKSON: Thank you, Senator Cavanaugh. And thank you, Margaret, for your work on this as well. Are there questions from the committee? Senator Riepe.

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

M. CAVANAUGH: Thank you.

RIEPE: And congratulations, Margaret. You're talking here in the challenges, are there any stipulations that says 10 working days, 5-- I'm sure that there's some time limit that they have to respond.

M. CAVANAUGH: The bill-- the amendment does not have a time limit in it.

RIEPE: OK.

M. CAVANAUGH: And I did think about that, and I, I-- honestly, this has been such a shifting landscape that I didn't want to put a time limit in right now, because I didn't know what would be appropriate. And so, I think if there is an appropriate amount of time, we could amend that.

RIEPE: OK. That answers my question. Thank you.

M. CAVANAUGH: You're welcome.

FREDRICKSON: Other questions from the committee? Senator Ballard.

BALLARD: Thank you, Vice Chair. Thank you, Senator Cavanaugh. The point of an independent evaluation, I, I appreciate that. I like that. Do you have con-- any-- at the state expense, do you have any idea, in your conversation with the department, the cost-- can they absorb that cost?

M. CAVANAUGH: I'm sure it's going to cost like $20 million.

BALLARD: It usually does, doesn't it?

M. CAVANAUGH: Yeah. Yeah. And it'll require a new computer system, maybe a new building. I don't know.

BALLARD: A few FTEs.

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M. CAVANAUGH: A few FTEs. I'm not sure what the cost would be. I think it depends. I, I know-- I had a conversation last week with Director Green and Nicole Barrett about the assessment and the appeals, and it's not an exorbitant number of appeals. It's under 100 appeals annually. But I don't know. I, I don't have a sense. So once we're done here, we'll have to figure out what the actual fiscal note is going to be, because obviously, that's going to be a cost. And it might be one that they can absorb internally, but I don't want to speak to that. I'm sure. I also sent this to DHHS today, as well, but we're all, we're all learning this new amendment together. So I don't know if anybody's here from DHHS, but-- oh, they are. OK. So I'm sure they can--

BALLARD: It'll be a question for them.

M. CAVANAUGH: Thank you. Yes.

BALLARD: Thank you, Senator.

FREDRICKSON: Other questions from the committee? Senator-- no, no. Depends-- so I wasn't, I wasn't sure.

G. MEYER: [INAUDIBLE]-- well, I, I can. I appreciate you coming today, Senator Cavanaugh, and I, I think this is something that certainly needs to be addressed. It was one of the questions I had perhaps for the staff of HHS, is year over year how many appeals, because I'm sure, you know, we, we-- there's an ongoing evaluation, a process, year over year, anyway. So there might not be any more appeals, given the change in, in what we're trying to accomplish here. It may be very similar so, you know, it might be-- cost might be a trade-off with regard to independent assessments, so there may not be any fiscal that, that would be measurably detrimental to what we're doing here.

M. CAVANAUGH: Yeah.

G. MEYER: So I, I appreciate that.

M. CAVANAUGH: Thank you.

FREDRICKSON: Other questions? Seeing none, thank you, Senator Cavanaugh. Will you be here to close?

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M. CAVANAUGH: I may be in and out, but I will be here to close.

FREDRICKSON: Thank you. We will move on to proponents, but quickly before we do that, we did have some ADA testimony for this bill. I wanted to make sure and get this into the record. So the Health and Human Services Committee received written ADA testimony from Kathy Hoell of Papillion. That's K-a-t-h-y H-o-e-l-l, for the record, in support of LB958. This testimony will be included in the official hearing transcript and the testifier included on any committee statement that is published. The testimony has also been provided to all members of the committee. So with that, we will now move on to in-person testimony for LB 958 proponents.

ALANA SCHRIVER: Good afternoon, Vice Chair Fredrickson, members of the HHS committee. My name is Alana Schriver, A-l-a-n-a S-c-h-r-i-v-e-r, and I'm here representing the Nebraska Association of Service Providers, which is the statewide membership association for home and community-based service providers supporting individuals with intellectual and developmental disabilities. We support and employ thousands of Nebraskans across the state, so thank you for the opportunity to speak in support of LB958 this afternoon. But first and foremost, I want to sincerely thank Senator Cavanaugh for not only introducing LB958, but for prioritizing it. The disability community is deeply grateful for all of your support over the years. You're a true champion for Nebraskans with disabilities and their families. You've served our state with genuine heart and relentless effort. Because of your leadership in establishing, for example, the family support waiver, my son, after years on the waiting list, finally has access to services he's needed his entire life. So many families across Nebraska are experiencing more dignity and hope because of the foundation you helped build. The positive ripple effects of your work will continue long after your tenure ends. LB958 is the next critical step. Medicaid 1915(c) home and community-based waivers are not optional luxuries. They are lifelines. They allow individuals with disabilities to live at home, work in their communities, and avoid unnecessary institutionalization. They allow family caregivers to enter or remain in the workforce, they reduce dependence on other state economic assistance programs, reduce emergency room visits, interactions with law enforcement, CPS, APS, and more. And they do it at a fraction of the cost of state-run institutions. HCBS services are already fragile due to chronic underfunding and crisis-level staff

shortages. The possibility that services can be changed without legislative oversight adds another layer of uncertainty and stress. Providers cannot plan long-term investments in workforce development. Families cannot rely on consistent supports. The direct support workforce deserves stability and so do the Nebraskans they serve. LB958 provides an appropriate and necessary balance. It does not prevent DHHS for administering programs, but it ensures that the major changes to essential disability services receive legislative oversight and public accountability. The legislature represents the people of Nebraska, including those whose voices are too often unheard. Nebraskans with disabilities deserve a system they can trust. Service providers need stable policy and adequate funding to rebuild and sustain the direct support workforce. Families deserve peace of mind knowing that the services their loved ones depend on cannot be fundamentally changed without public input and legislative review. So I respectfully urge you to advance LB958. Happy to answer any questions about the interRAI assessment. I've been part of it since it was implemented July 1. Thank you for your time. And thank you again, Senator Cavanaugh, for your steadfast leadership and unwavering commitment to Nebraska's disability community.

FREDRICKSON: Thank you for your testimony. Are there questions from the committee? I'm seeing none. Thank you for being here. We'll take our next proponent for LB958.

TERESA STEWART: Hello, committee. Thank you for letting me come and speak today. I wasn't going to. I'm feeling a little under the weather, but I had a situation happen this morning that I felt like I had to come. My name is Teresa Stewart. I'm a single parent of a quadriplegic, nonverbal--

FREDRICKSON: I'm sorry, Ms. Stewart. Would you mind spelling your name for the record?

TERESA STEWART: T-e-r-e-s-a S-t-e-w-a-r-t.

FREDRICKSON: Thank you.

TERESA STEWART: --single parent of a quadriplegic, almost 30-year-old son. His situation hasn't become better. It's become worse, frankly, over the last several years. I got a call this morning from my nursing

agency that does 8 hours a day. That's so I can get some rest, but get some sleep, go to appointments myself-- and was told that DHHS denied his nursing care. We are going to have to appeal it. I'm going to tell you that I've talked to other parents, at least dozens, dozens of them, and every single appeal was denied. Not one appeal was accepted. This is my son, Austin. He is ICU status. I don't know what I'm going to do when this appeal is denied, except for take my son to a hospital and drop him off, and say, I can't do it. I don't have any family in this town. DHHS says that they think that I can find a layperson off the street to come in for $15 an hour to run an ICU, that I can train them to do that and feel comfortable with that. Are they out of their minds? This is insanity. You're going to force me to place my son into a hospital, and I guarantee you there are no facilities in the state of Nebraska that will accept Medicaid and a ventilator patient. There are none available. What am I to do? I just found this out this morning. I'm sorry for being-- so passionate, but this child deserves to stay at home where he has love and consistency, and quality of care. I will tell you that I quit my full-time, good corporate job 9 years ago, when they pulled nursing care from me and told me, you have the option, put him in a facility or stay home and take care of him. We'll pay you. I'm staying home. I'm OK with that. This isn't going to work. What are parents like me supposed to do? I'm appalled. I, I just-- oh. And I will also say additionally, that there are parents that wanted to be here to speak on behalf of their children that are very similar to mine, but they've already had their hours cut, they feel, in retaliation from DHHS. Just a heads up here. Also, there was no transparency here. This was-- I was blindsided. So was my nursing agency. No, no-- nobody said, hey, look out, this might be happening, and they haven't even passed this thing yet. Isn't that supposed to happen July 1? I'm appalled, and I want you to take this into consideration when you're making the decisions here today. Thank you for your time.

FREDRICKSON: Thank you, Ms. Stewart, for your testimony. And please don't ever apologize for being passionate to advocate for your child. Are there any questions from the committee? Seeing none, thank you for being here.

TERESA STEWART: Thank you.

FREDRICKSON: Next proponent. Welcome

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ANGELA CORNETT: Thank you. My name is Angela Cornett, A-n-g-e-l-a C-o-r-n-e-t-t. I am here to testify in support of LB958. I am a nurse, and most of my adult life has been intertwined with those who live with intellectual and developmental disabilities. I can tell when you-- when decisions are made, based on numbers alone, without taking into consideration the human cost of those decisions, people's quality of life suffers and lives are put in danger. Requiring waiver caps or cuts to be approved through the Legislature would ensure people with intellectual and developmental disabilities are allowed to have a voice: a voice amplified through the input of their service providers, advocates, caregivers, and families. Nothing about me without me rings through my head. The reason why this mantra is so important in the disability community is because it's so easy to unfairly target this group of individuals. They aren't going to be loud dissenters, and politicians have less fear of losing political capital than if they targeted other groups for funding cuts. This community needs and deserves special oversight to ensure they are not taken advantage of. Advocates, caregivers, and families should always be given an opportunity to respond to any proposed waiver cuts or caps. The involvement of disability advocates is crucial in shaping laws and policies that affect this group of vulnerable people. This will help ensure waiver changes are informed, inclusive, respectful, and beneficial in a real, tangible way for those who are most affected and those who are most vulnerable. Thank you.

FREDRICKSON: Thank you for your testimony. Are there questions from the committee? Seeing none, thank you for being here. Next proponent for LB958. Welcome.

AARON KUECKER: Hello, Senators. My name is Aaron Kuecker. It's spelled A-a-r-o-n K-u-e-c-k-e-r. And I'm from Omaha, Nebraska, and my family and I are here to support LB958. Both of my daughters, one of whom is with us here today, are on the Aged and Disabled Waiver. We're so grateful for the support that this waiver provides, from respite hours, to personal care hours, to home modifications, even helping purchase a new wheelchair van. Through the waiver, my wife was able to quit her job and then work as a live-in caregiver for our daughter. She's 19, and she has a rare form of epilepsy called Lennox-Gastaut Syndrome, where she could have any type of seizure at any time for any reason. She has 4 different seizure medications she takes twice daily. She has an implanted device called the VNS, and then she also will get

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monitored throughout the day and the night via a seizure-specific camera. And if she has too many seizures, we go to the ER or we give rescue medications. So we're on 24-7, you know. The current proposed revisions by the-- of the AD waiver by the Department of Health and Human Services threatened to limit or eliminate many of these benefits. For example, my daughter would hit the proposed 150% monetary cap in about 31 weeks. For context, that would be the end of July if you started keepingJanu-- keeping track January 1. So we'd have to navigate the other five months of the year without any waiver services because we ran out of money, and that presents a monumental challenge for our family. DHHS has said that they will give exceptions to the 150% cap, but that they will only consider individuals who are living independently, excluding people such as my daughter and others with severe disabilities who simply cannot live alone. These waivers are too important for only one branch of our state government to manage. For example, the current Governor is willing to cut one of these waivers due to a budget shortfall, among other things. These waivers support Nebraska's most vulnerable people, such as my daughters, and need to be carefully considered before any changes, especially cuts, are made. They cannot be subject to change on a whim, in order to balance our state budget or any other reason. It's tough because public comments and appeals through DHHS can feel a little bit like you're shouting into the void and you really don't know if they're going to hear you. You've heard that a lot of appeals are denied and that's difficult. It's funny, I'm here as a proponent, but I'm also a little bit concerned about the recent amendment by Senator Cavanaugh. It's thorough, but it needs to ensure that the current AD waiver proposal is paused and reviewed, and a needs-based, cap-free solution is presented prior to the implementation on July 1. My fear is that the amendment will ensure oversight of future waiver renewals, but it does not address the current emergency that families like us who are on the AD waiver face, coming July 1. I urge this committee to review it, add necessary amendments to potentially stop the current process, along with, obviously, the future that will, that will take place. It may add more steps to the waiver process, which might be what some of the opponents will, will talk about. They'll say, hey, we don't want oversight. It's more steps. It's not your business. It's your job. But guys, in this case, we want more voices and viewpoints to ensure that these proposals are sensible, equitable, and protect the most vulnerable people in our state. Thank you.

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FREDRICKSON: Thank you for your testimony.

AARON KUECKER: Yeah.

FREDRICKSON: Are there questions from the committee? Senator Hansen.

HANSEN: What was that specific concern you had with the amendment again?

AARON KUECKER: So my concern is that it doesn't stop or pause the current AD waiver renewal process where they're introducing that monetary cap.

HANSEN: OK. OK. Thanks.

FREDRICKSON: Other questions? Senator Meyer.

G. MEYER: Thank you, Vice Chair. Thank you for being here today. Do you know of anyone that had-- has had the new evaluation and was denied appeal and had the appeal approved? Are you aware of anyone?

AARON KUECKER: Are you talking about the interRAI, new one that's been discussed? No, we're still using the old service needs assessment. Correct, Katie? Oh, and we're using the interRAI, but.

G. MEYER: And, and, and that's timed on, essentially, is that on a 6-month basis, that-- where you renew-- [INAUDIBLE] you said yearly--

AARON KUECKER: It's yearly right now. Yeah.

G. MEYER: It's yearly right now?

AARON KUECKER: Yeah.

G. MEYER: OK.

AARON KUECKER: So no. We-- but we also have not personally had to appeal anything yet, but I know that there are other stories out there so I don't necessarily want to share those. You might hear some more from proponents or opponents today, as well.

G. MEYER: Sure. Appreciate that.

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AARON KUECKER: Yeah, absolutely.

G. MEYER: Thank you.

FREDRICKSON: Other questions from the committee? Seeing none, thank you for being here.

AARON KUECKER: Yes. Thank you.

FREDRICKSON: Next proponent for LB958. Welcome.

SHELLEY GILLEN: Good afternoon, Senators. My name is Shelley Gillen, and I am here as a proponent of LB958 on behalf of my son, Will. LB958--

FREDRICKSON: Ms. Gillen, I'm sorry. Do you mind spelling your name, for the record?

SHELLEY GILLEN: Yes. S-h-e-l-l-e-y G-i-l-l-e-n.

FREDRICKSON: Thank you.

SHELLEY GILLEN: I wrote this in the view of the original LB958, before the amendment was brought forth. LB958 is essential legislation for families like mine who have experienced firsthand the consequences of inadequate transparency and accountability within our state's DHHS and Governor Pillen. Our family learned about the severe proposed cuts to the AD/TBI waiver purely by accident, at a town hall meeting in December. Another attendee told us our caregiving hours were about to be drastically reduced. We were stunned. We had received no letter, no email, and no phone call, even though these changes would be directly detrimental to our son's care. After scrambling for answers in social media groups, we discovered the cuts were real, and that families had just one month to submit comments and organize advocacy efforts. Also, just this month, we were again blindsided, learning through a Facebook post that the League of Human Dignity would be dissolved as of March 31. Once again, no formal communication was sent first. This pattern of delayed or nonexistent communication is not just frustrating, it is irresponsible. Families caring for medically complex loved ones should never have to rely on rumors or social media to learn about decisions that will dramatically affect their quality of life. In addition, although the hourly cap was removed and was presented as a solution

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and PR stunt by Governor Pillen, it was replaced with a monetary cap that still reduces critical caregiving hours. These dangerous cuts will increase caregiver burnout, close essential agencies, and force families into devastating choices, such as having to institutionalize their loved ones simply to survive financially. Our state does not even have the capacity or appropriate facilities to safely absorb medically-complex children, and families should never be pushed in that direction. Our son, Will, has Lennox-Gastaut Syndrome, a rare and catastrophic seizure disorder. He requires 24-7 supervision and complete assistance with daily care. He experiences multiple seizures, many life-threatening, and his falls often result in serious injuries. He cannot be left alone even for a moment and is a constant elopement risk. Yet the monetary cap is based on a nursing home rate, which is a setting he couldn't even qualify for, and that he would-- and that would not safely meet his needs. In closing, I respectfully urge this committee to act swiftly. Families deserve timely notice, meaningful input, and full transparency before decisions of this magnitude are made. No parent should learn about life-altering cuts to their child's care by accident. We need trust restored and protection guaranteed for our most vulnerable loved ones. Thank you for your time.

FREDRICKSON: Thank you for your testimony. Are there questions from the committee? Seeing none, thank you for being here. Next proponent for LB958. Welcome.

MICHELE ZEPHIER: Thank you. Thank you, Senators, and Senator Machaela Cavanaugh, for this bill. My name is Michele Zephier, M-i-c-h-e-l-e Z-e-p-h-i-e-r. I am a parent of an individual with a disability on the A&D waiver and I'm here to support LB958, as amended this morning. I am here to say that the state waiver oversight is good-- is a good safeguard for our loved ones with disabilities. The interRAI assessment tool under the direction of Nebraska's Department of Health and Human Services CEO Steve Corsi are not in response to individuals' needs, or do they make fiscal sense. Changes can have devastating effects on these individuals. When cuts are severe and developed internally without outside oversight, who will ensure the best practices for Nebraskans with disabilities? It is certain that cuts to services will have "out-verse"-- or adverse in-- outcomes and will affect Nebraskan with disabilities and their families. LB958 will ensure outside oversight and reduce harm inflicted by decreased services by clinical interviewed results for individuals with

disabilities in our most vulnerable population. We cannot run the lives of Nebraskans with disabilities like a business. When we monetize disability, we inherently reduce the quality of life and create unintended higher costs downstream, like institutionalization, where costs are increased on an average of over $400,000 per person, versus the average AD waiver costs of only 300-- or $33,000 per person, both per year. Other downstream costs are reduced access to home and community-based services and worsened health, health outcomes that create higher medical treatment costs. Oversight and transparency are good things, especially when providing or denying life-saving services to Nebraskans with disabilities. Thank you for listening to our concerns.

FREDRICKSON: Thank you for your testimony. Are there questions from the committee? Seeing none, thank you for being here. Next proponent for LB958.

ANNA KEYZER: I'm Anna Keyzer. This is my son Simon. A-N-N A-K-Y-Z-R. Medicaid waivers like the Aged and Disabled waiver and the Developmental Disabilities waiver are a lifeline to the disabled and their families. Once my son turned 19 and I was able to be paid as his caregiver, it was like a huge weight had been lifted off my shoulders. I still had to deal with his medical needs, fighting with insurance companies, making calls to make sure his prescriptions get filled on time, making sure his wheelchair is in good working order, and that his tube feeding supplies, and food, and diapers, and incontinent supplies are delivered by insurance, paid for by insurance, and delivered in a timely manner. I still deal with the-- all of his accessories: his hearing aids, his leg braces, the lifts in my home, his bed, his wheelchair, his stander. And then, I still have to do the actual care for my son-- changing him every 2-3 hours, feeding him every 3-4 hours, and protecting him from himself, which is constant, because of his auto-aggression. And I'm constantly guessing his needs, because he's nonverbal, and meeting those needs, keeping him not too hot and not too cold, and giving him all the physical input he needs to know he's alone in this world, and keeping him calm. These are constant needs. Not to mention all of the laundry, because keeping an adult in diapers is a messy business. But one thing I no longer had to worry about was how we would afford to live, how we would pay our bills, and how I could hold down a job with no one to take care of Simon because I couldn't. The waiver made it possible for me to be

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paid as this caregiver. As my financial stress lowered, it made me a better caregiver for my son. I began to be able to breathe a little and to start taking better care of myself, to begin to heal from the unsupported years, when my son was a minor and this program didn't help us at all financially. We were able to buy our own house, move out of the apartment we had lived in for 15 years. We were finally financially stable, and at least I thought we were, until this past December. When DHHS proposed their renewal of the AD waiver in December of 2025, they included huge cuts to my son's services. Their new proposal still caps my son services only now by using a yearly financial cap. Therefore, LB958 is still of the utmost importance to my family and to the families of the most disabled of our states-- our state. Please, please put this bill in place so that you can help us. Cutting services for the severely disabled is a death sentence. Please stop the eugenics in the name of the almighty dollar. And then the rest is on there, but I want to, you know, keep my time short. Thank you.

FREDRICKSON: Thank you for your testimony. Are there questions from the committee? Seeing none, thank you for being here.

ANNA KEYZER: OK, thank you.

FREDRICKSON: Next proponent for LB958. Welcome.

STACY PFEIFER: Good afternoon. Thank you for taking the time to hear everyone today. My name is Stacy Pfeifer, S-t-a-c-y P-f-e-i-f-e-r. I served as the Enable Savings Plan Director from 2002 until just this last November, and am currently advocating for people with disabilities. The way that I see this, is that, you know, government needs balance. There needs to be a balance of power. Right? That's why we have all the different-- the Legislature, and the executive branch, and, and, and so fo-- so on and so forth. So when, when we have one or two people in charge, people who are, you know, appointed by the Governor, that, that puts the balance of power off a little bit. And so this bill, I think, would, would bring us back to a balance of power, and bring oversight. It would allow voices to be heard. It would allow questions to be asked. It would slow down the process for changes to be made, allowing time for thoughtful discourse, feedback, and better outcomes. As many people have testified here today, individuals with disabilities have intrinsic worth and should be

treated as such. These individuals should not be having price tags put on their worth. We should be putting a higher priority on caring for this population, not constantly looking at this group every time cuts need to be made. The amendment that was added today highlights the issues of changes made with no oversight. The interRAI assessment covers function, not need. And this asse-- this assessment, as it was written, was meant to assess physical disabilities, not cognitive disabilities. Many people are losing their benefits and their level of care as a result. Last month, 51% of the people changed at least one level. The cuts would cause safety issues for their providers and individuals and agencies as well. And there have been hundreds of appeals and only 40 hearings, with none of those hearings overturning any appeals. And just for some clarity, there are 4 different kinds of interRAIs. There's the A&D, DD, one for children, and one for adults. Most of these are for eligibility, but on the DD side, there's a budget tier that it's attached to the interRAI assessment. And, and again, I just want to reiterate, there's a, a safety issue also. It will create unsafe situations for service providers by not allowing for that one-on-one care that they need.

FREDRICKSON: Thank you for your testimony. Are there questions from the committee? Senator Meyer.

G. MEYER: Thank you, Vice Chair. Thank you for coming in today. You said there's been hundreds of appeals, 40 hearings, and no approved appeals at this point. Does-- did I, did I hear that correctly?

STACY PFEIFER: Yeah. Yeah. I pulled that from-- 10/11 did an, an article about it that you can go and read.

G. MEYER: You don't have any idea the basis of the denials, and is there-- the process of appeal. I don't, I don't have oversight of that also, and, and so I'm curious to see what that structure is-- if there's a basis, a, a written explanation, or just the denial of appeal. I'm just curious if, if you have any insight on how that process works.

STACY PFEIFER: Sure. And--

G. MEYER: And, and I'm sure there's probably some [INAUDIBLE]

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STACY PFEIFER: Yeah, DHHS will probably have some good insight on that.

G. MEYER: I, I, I suspect, I suspect I'll ask that question again.

STACY PFEIFER: Yeah, yeah. Some of the things that I've heard is that they're just-- when they deny, they say, well, we followed our process that we're supposed to be following. You know, while people are trying to appeal the result, they're, they're reviewing the process. And they're saying, oh, the process was fine. There was no problem with that. And so, therefore, your appeal is denied. That's the-- what I've heard is happening. But I'm sure DHHS can comment more on that.

G. MEYER: Thank you.

FREDRICKSON: Other questions? Seeing none, thank you for being here.

STACY PFEIFER: Yeah. Thank you.

FREDRICKSON: Next proponent for LB958. Welcome back. Good to see you again.

JONI THOMAS: Yeah, it hasn't been that long, has it? Well, thank you, Vice Chair. Senator Fredrickson and Health and Human Services Committee. My name is Joni Thomas, J-o-n-i T-h-o-m-a-s. I am a person who experiences a disability-- bet you couldn't tell-- and I utilize the A&D waiver for personal care. Today I'm speaking in support of LB598. I support this bill because it strengthens legislative oversight with significant changes-- or sorry, when significant changes are proposed to Nebraska's 1915(c) waivers, especially changes that could reduce services and post cost gap care-- cost caps, or restrict eligibility. These waivers allow Nebraskans with disabilities and older adults, as you've heard, to remain in their homes and communities, rather than being pushed towards institutionalizational care. Maintaining strong home and community-based services is also consistent with the Nebraska obligations under the Olmstead decision to, you know, to support community integration whenever possible. Requiring legislative approval before major changes are submitted ensures transparency and gives individuals, families, and advocates the opportunity to appear before their elected representatives to explain the real-world impacts of those decisions. That type of

accountability matters. Overall, I believe LB958 provides an important safeguard to ensure that significant waiver changes receive legislative visibility and public input, helping to protect access to community-based services. I-- and so, I know there's been some changes. I know that was an amendment. I'm still very much in favor of it, and I just-- for those reasons. And I thank you for your time, and I'm happy to answer any questions.

FREDRICKSON: Thank you for your testimony. Are there questions from the committee? Senator Ballard,

BALLARD: Thank you, Chair. Thank you for being here. It's good to see you again. So we've heard from other test-- other proponents that this waiver allowed parents to stay home. Can you tell me how you utilize the, the waiver differently? Is it for in-home care?

JONI THOMAS: Mine is-- yeah. I have lived independently in my own apartment and then houses-- or my own house. You know, I worked for 35 years in the field of disability and even managed care. I'm retired now. So, I, I use it primarily for personal care. I have had-- because I do drive as well, so the Aged and Disabled waiver has assisted with repair to my lift or the, the-- not just the modification, but, but helped fund the total like pieces of the modification to my vans. So those are the primary--

BALLARD: Uses. OK.

JONI THOMAS: --uses for me. Yeah.

BALLARD: Thank you. I appreciate it. Thank you.

JONI THOMAS: Yeah.

FREDRICKSON: Other questions? Senator Meyer.

JONI THOMAS: And it's not 24-hour, I don't have 24-hour.

BALLARD: 24-hour. OK.

JONI THOMAS: Yeah, I don't need someone with me all the time.

G. MEYER: Thank you, Vice Chair. It's good to see you here again.

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JONI THOMAS: Thank you, Senator Meyer.

G. MEYER: I always, always enjoy our interaction. You were, you were talking about repairs to your lift and things of that nature. That doesn't come out of the Aged and Disabled waiver. That's a separate program that provides you that--

JONI THOMAS: It is. Right. It's--

G. MEYER: --wheelchairs and, and perhaps beds, and ventilators, and things of that nature. That's separate from, from the hourly reimbursements. That's generally how that works, isn't it?

JONI THOMAS: Right. The Aged and Disabled waiver doesn't-- actually, as I understand it, the pot-- that pot of money doesn't do nursing care, the, you know, medical kind of care. It is for-- it was originally designed for those of us who are, you know, just living life out here, or if you can't make decisions or, you know-- or direct your own care, you can appoint a designee: a family member, a parent, you know, a sibling, whatever. So the waiver does do things like personal care, or they have a contract with Assistive Technology Partnership, where they come in and do home modifications, or vehicle modifications. You know, the-- that's-- it's part of the Aged and Disabled Waiver, but that's contracted with ATP.

G. MEYER: I un-- I understand the process. And, and part of the reason for me asking the question is those, those folks that perhaps are listening or watching could get a better understanding of-- somewhat, of how the process works. Because it, it can be very confusing sometimes, and just, just to have an idea of, of just what, what all is involved is important for people to understand. So.

JONI THOMAS: Sure.

G. MEYER: I appreciate that very much. Thank you.

FREDRICKSON: Thank you, Senator Meyer. Other questions from the committee? Seeing none, thank you for being here.

JONI THOMAS: OK. Thank you.

FREDRICKSON: Next proponent for LB958. Welcome back.

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DOMINIC GILLEN: Yes. Thank you. Good afternoon, Senators. I brought Will along with me today. He's back there in the corner. You can hear him talking a little bit. Good afternoon, Senators. My name is Dominic Gillen, D-o-m-i-n-i-c G-i-l-l-e-n, and I am here today in support of LB958. I spoke with you last week about our son, Will, and he is here today. Please, see him, and see all the other people in the room, because it's important to see them. I understand this is not the Appropriations Committee. However, your legislative role in providing oversight and policy direction to DHHS makes this the appropriate and necessary committee for this bill. While funding decisions may occur elsewhere, the policies, processes, and accountability structures behind those decisions fall directly within your authority. This is why your leadership on 930-- LB958, excuse me, is so important. Governor Pillen has publicly stated that Nebraska is not facing a budget crisis. If that is true, then we should not be balancing the budget on the backs of Nebraskans with disabilities. Fiscal responsibility should come at the expense of those who rely on essential services to live with dignity-- it should never come at the expense of people who rely on essential services to live with dignity. The Governor has also said that we should run our government like a business, which may be true. But in a business when a product is defective, such as a broken widget for example, it gets thrown away. But our loved ones are not widgets. They are sons and daughters, neighbors, and valued members of our communities. Their lives have inherent worth, and deserve our respect and admiration. I also want to address the false narrative that families are somehow gaming the system. That characterization is both inaccurate and deeply, deeply hurtful. Families are not exploiting services. We are providing extraordinary, around-the-clock care in the least restrictive environment possible. We are keeping people in their homes and communities, often in significant personal, emotional, and financial sacrifice. Caregivers are receiving a minimum wage, nothing more. Frankly, that's all we want in order to keep our loved ones safe and at home. The monetary caps that are still in place do not exist in a vacuum. Providers operate within limits and families make decisions within the framework the state has created. Suggesting that families are responsible for systemic cost pressures ignores the realities of how services are authorized, delivered, and reimbursed. LB958 represents an opportunity to slow down and take a deep breath. It allows this body to reaffirm its oversight responsibility, ensure that

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policy changes within DHHS are transparent-- please be transparent-- stakeholder-driven, and carefully evaluated before implementation. It ensures reforms are thoughtful, not rushed, mutual, not imposed, and centered on people, not spreadsheets. We can be fiscally responsible without abandoning our values. We can manage the government efficiently without devaluing human lives. And we can protect essential disability services while still being responsible. Please advance LB 958 and stand with Nebraskans who depend on these vital services. Thank you for your time and consideration.

FREDRICKSON: Thank you for your testimony. Other questions from the committee? Seeing none, thank you for being here. Next proponent for LB958. Welcome.

KATHRYN THOMPSON: Thank you, Senator Fredrick-- Fredrick-- Fredrickson and the Health and Human Services Committee. My name is Kathryn Thompson, K-a-t-h-r-y-n T-h-o-m-p-s-o-n. And I am here because I previously worked for a Medicaid-approved medical group that provided services to our patients and families who relied on Medicaid and Medicaid waiver programs. In that role, I saw firsthand how important those services are for individuals and families who depend on them for health, stability, and independence. I am also here because of my own personal experience, as a granddaughter and a niece. I have seen the real-life impact of Medicaid waiver services within my own family. Because of the Aged and Disabled waiver, my aunt, Joni, my grandmother, have been able to live in their homes and remain active members of our community rather than being placed in institutions. The personal care they receive with hours based on their individual needs makes it possible for them to live with dignity and independence, which we all want. These services are not luxuries. They are essential supports that allow people to live ordinary lives in the communities that they choose. They didn't choose to ha.ve disabil-- dis-- disabilities. They chose to live in Lincoln. They chose to be surrounded by their community. I have also witnessed the stress and uncertainty that proposed cuts and potential changes to waiver services can cause. The possibility that reduced supports could force someone into institutional care is not policy discussion for my family. It is a very real concern. We make this especially meaningful-- what makes this especially meaningful is that my aunt, she has spent all of her career advocating for people with disabilities. Her, her 30 years of working in this field and advancing

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just to slide backwards, it's debilitating. LB958 helps to ensure that significant changes to waiver programs receive transparency and legislative oversight before they move forward, before they move forward. So for families like mine and for many others, as you've heard today across Nebraska, that oversight matters. Medicaid waivers support, dignity, independence, and full participation in the community. Thank you for your time, and I'll answer any questions.

FREDRICKSON: Thank you for your testimony. Any questions from the committee? Seeing none, thank you for being here.

KATHRYN THOMPSON: Thank you.

FREDRICKSON: Next proponent for LB958. Welcome.

KRISTEN LARSEN: Hi. Good afternoon, Senators. My name is Kristen Larsen. That's spelled K-r-i-s-t-e-n L-a-r-s-e-n, and I'm here on behalf of the Nebraska Council on Developmental Disabilities to testify in support of LB958. Although the Council is appointed by the Governor and administered by DHHS, we operate independently and our comments do not necessarily reflect the views of the Governor or the department. We're a federally-mandated independent council made of individuals with developmental disabilities, family members, community providers, and agency representatives. 60% of our council members are people with lived experience. We advocate for systems change, quality of services, and serve as a source of information and advice for policymakers, and we take a nonpartisan approach when-- to provide information and education when there is a bill that could potentially impact the DD community. LB958 promotes transparency by requiring the legislative approval before the department submits any HCBS 1915(c) waivers or amend-- or amendments to CMS that adds costs, reduces hours, or narrows eligibility criteria. As you heard from very many folks here, the waivers are the foundation of HCBS services. It allows people with disabilities to live in their homes and communities, rather than institutions. The supports promote health and safety, employment participation, caregiver sustainability, and prevent far more costly institutional placements. Under CMS federal rules, waiver renew-- waivers have to be renewed every 5 years, and renewal submissions must be filed well in advance, and can-- because it can include significant structural changes. Families and providers were blindsided in early December, when their-- when the Aged and Disabled

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renewal application went out for public comment, and these were changes that threatened people's ability to remain safely at home and conflicted with person-centered planning principles. Public comment was from that early December to early January. And because of the strong advocacy of many of the families behind me and others in the community, the department announced on January 27 that the proposed reimbursable caregiver cuts would be removed, and the revised application also adds an exception process for cost caps to ensure that individuals with higher needs can remain safely in their homes. This updated version is now out for the second public comment, but, you know, there's still concerns. You heard some of those today. This experience with families learning about potential scare is what brought Senator Cavanaugh to bring this bill. I know there are changes and I'm not going to have enough time to go into the changes on the interRAI, but I have added that additional part to my testimony. I want you to know that I serve also, as a member of the Governor's DD Advisory Committee. The division has done a good job of sharing that information with us, but there are significant concerns with the interRAI. And it comes down to families don't know-- like, we're not-- you, you cannot just go in and appeal the score. You have to appeal the process. Well, the score is ultimately what's de-- deciding on the tier level, and we're not given information on what the tier level-- like if I go from a basic to an advanced tier, or if I got from an advanced to a basic tier, what's the difference of that, of that account-- amount of money for my budget. It can be thousands of dollars. That can make a huge difference of whether--

FREDRICKSON: Ms. Larson, I'm sorry to cut you off, but you are, you are on the red.

KRISTEN LARSEN: --somebody that provides support-- oh, I'm sorry. I see the light on. OK.

FREDRICKSON: But, but please, just finish your thoughts, then.

KRISTEN LARSEN: No, it can make a difference if providers in the community can continue to provide the service for folks on the DD waivers.

FREDRICKSON: Thank you for your testimony. Are there questions from the committee? Seeing none, thank you for being here.

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KRISTEN LARSEN: OK. Thank you.

FREDRICKSON: Next proponent for LB958.

***KATHY HOELL:** I am writing in support of LB958. As one of the current co-chairs of the Olmstead Advisory Committee who has been contacting the Governor's Office repeatedly since 1999 to establish an Olmstead Plan, I understand how important this is for Nebraska. The Olmstead decision refers to the landmark 1999 ruling by the United States Supreme Court in the case Olmstead v. L.C. The Court determined that, under the Americans with Disabilities Act, ADA , individuals with disabilities have the right to live in the community rather than in institutions if appropriate services can be provided. The decision emphasized that unnecessary institutionalization of people with disabilities constitutes discrimination, and public entities must provide services in the most integrated setting possible. Since the waivers play a big role in the advancement of the Olmstead Plan, DHHS is currently trying to limit coverage and push people with disabilities into nursing homes, institutions, which violates the plan and increases Nebraska's opportunity for financial penalties. With the present freedoms DHHS has with the various waivers we have seen many issues arise. I have been contacted by a number of individuals with concerns, and here are 2 examples: A child who is ventilator-dependent and has many limitations in daily living activities was receiving 24-hour nursing care which DHHS discontinued. The young lady is now starting to attend preschool so the school must provide nursing care for 4 hours she attends school. This is problematic because the nurse does not agree with the family's desire for her to live an integrated inclusive life. She contacted Children's Protective Service to report them and had an ambulance take the child to emergency room for a cold that the family was treating. The doctor on duty was familiar with the family and laughed when he saw them and asked why she was there for a plain old cold. DHHS ended the contract with The League of Human Dignity and they will be taking over the Service Coordination. Another young lady recently sent a letter voicing her concerns about this. "I am worried about how effectively the state will be able to provide consistent and reliable support moving forward. More broadly, this shift feels like it reflects a disconnect between DHHS and the disability community. Many of us are already struggling to maintain stability, and this change has the potential to negatively affect countless individuals. I have concerns about DHHS having this freedom

with the lives of people with disabilities. On one end of the pendulum, they could die. While on the other end it will provide an inability for a person with a disability to stabilize their life. For people with disabilities, being able to stabilize your life means being able to live an integrated inclusive life. The waivers are one of the tools for the Olmstead Plan. Don't let DHHS weaken the waivers. Pass LB958.

FREDRICKSON: Seeing none, we will now move on to opponents for LB958. Director Green.

TONY GREEN: Good afternoon, Vice Chair Fredrickson and members of the Health and Human Service Committee. My name is Tony Green, T-o-n-y G-r-e-e-n, and I'm the director for the Division of Developmental Disabilities at the Department of Health and Human Services, here to testify in opposition of no-- LB958. I will preface my, my testimony with, I have seen the amendment. I have not had time. It, it literally-- read it kind of walking over. So my prepared comments are to the original LB958, and that's our opposition. And so I'll, I'll paraphrase kind of what's in there, but I think as you will see from the amendment, it significantly changes the bill, that even the, the core components that are in LB958 are not in the amendment. So our original position and opposition to this bill really centered around the 2 issues, one of which was that a, a waiver in Nebraska could not be submitted without the authority of legislative approval, and, and that just becomes problematic in many ways for the department. As you know, waivers are, are labor-intense processes that are, are back-and-forth dealings with CMS at the federal level, relying on what you would call a part-time Legislature, in that you're only here for a very limited time, would deeply hinder a state's ability to amend a waiver that had any of these changes, sometimes for the better, or sometimes if they-- there was a need or even a requirement from the feds, we would become out of compliant, waiting perhaps, for legislative approval, because that is such a, a short window of approval, once a year. Furthermore, the original bill in LB958, also began to change, if you will, the level of care requirements for nursing facilities, and that it outlined eligibility could be based on 2 deficits and activities of daily living. And that's a, a, a different version than what's there today, and it could potentially have expanded greatly, the number of folks eligible for nursing home level of care. It's my understanding that is not also in the, the

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amendment that would be before you. You know, the bill, as, as written, does reduce the aggregate-- or prohibit waiver amendments that reduce the aggregate number of service hours without your approval. It didn't really define that term of "aggregate reduction," and so it was unclear exactly what that would refer to, and that ambiguity could severely limit the ability of DHHS to manage cost neutrality, which is a requirement of all waivers. And so I would-- with that, I'll close and just say we would respectfully request that you not advance the bill to General File

FREDRICKSON: Thank you for your testimony. Are there questions from the committee? Senator Meyer.

G. MEYER: Thank you, Vice Chair. Good to see you again, Director Green.

TONY GREEN: Good to see you.

G. MEYER: Communication and transparency seems to be lacking. Why would that be?

TONY GREEN: You know, I don't know that I would necessarily agree that that's a completely accurate statement. I think we are being very transparent, especially with, with many of the initiatives that you're going on.

G. MEYER: That seems to be fairly belatedly, though.

TONY GREEN: Excuse me?

G. MEYER: The transparency is fairly belated, somewhat delayed.

TONY GREEN: In, in what specific situation is--

G. MEYER: Seems like this was kind of sprung upon people, the public comment period. I can share from conversations I've had on the floor of the Legislature that, justifiably or no, there is a, there is a level of distrust of HHS. I have shared concerns about the communication process. It seems like things are done with a great deal of lack of transparency and communication with those people that are primarily involved in the outcomes. I understand that we are a part-time-- essentially a part-time-- if that's what we are, a

part-time legislative body-- although it seems like full-time, generally. And so, the process of getting approvals and, and, and going through the legislative process probably is problematic, as far as putting together rules and promoting things. But it seems like we-- and I've heard this not only in this room, but I've heard it in my district. I've heard it from a number of people and it isn't just this particular situation, where we're having negative outcomes, we're having negative results, the appeals process, the denial of appeals, which is another question. Do you have any idea how many appeals, to this point, we've had on the change, and, and, and how many hearings, and then how many denials, and have any appeal-- any appeals been approved? I think it's statistically problematic that we've had appeals, and if they've all been denials, I, I, I find that stati-- you know, I'm not a statistics guy, but I find that statis-- statistically, almost an impossibility. So I'm, I'm not trying to bust your chops here.

TONY GREEN: You're fine.

G. MEYER: But this is a very, very serious problem that we're facing, and it seems like we're going down a road here, with massive, negative consequences. Looks like w e maybe need to tap the brakes just a little bit. Maybe, maybe jam on them pretty hard. So I-- once again, I apologize for not giving you an opportunity to answer, but how many appeals, how many hearings?

TONY GREEN: Yeah. So this is-- these numbers are for appeals of the interRAI on the DD waivers. This is not the AD waiver.

G. MEYER: Sure.

TONY GREEN: Which, which is completely separate, right. So just on the interRAI appeals through the end of December, there had been 160 appeals filed. 94 of them at the end of December had remained active, and 66 had been actually disposed of, or closed. 39 of those 66 the department was affirmed in the decision. 27 of those were withdrawn or dismissed. Withdrawn/dismissed can be a couple of things. Could be somebody didn't show up to their hearing, but that's not the predominant number. Largely what you're seeing in the dismissed or withdrawn, it's generally the withdrawn, that early on, and, and still continues to this day as we continue to work with all of our staff

across the state who have been trained to administer interRAIs and, and continue to tweak that when we learn that they're not being done as according to plan, families are able to now let us know, through their service coordinator, if there's an issue on that, that interRAI that's, that's incorrect. And so, if that is elevated to us that that's incorrect, we review that. We review the documentation. And if that's an accurate statement, we rerun that interRAI score. Sometimes it will change the tier and sometimes it would not, based on interRAI's case mix index. That's kind of the behind-the-scenes that spits out their score on their interRAI. If it does change to the desired, you know, to where they wanted it, that the reason they filed the appeal, those are what you're seeing in that withdrawn. So some folks have said those actually are appeals that some families would say we won because we pointed out an error and I ended up withdrawing my appeal because it reverted back to or changed the tier to what I feel is more appropriate.

G. MEYER: So affirm means that the denial of the appeal was correct. OK.

TONY GREEN: Yes.

G. MEYER: And once again, I'm not trying to push you in a bad spot here, but I think for clarification for certainly my understanding and I think understanding of everybody that's watching this and involved in this needs a greater understanding of just what the process is and how we go about doing it, and, and certainly, the process of, of the, of the evaluations and the hearings and all that type of stuff. I think that part of the transparency and, and communication that we need to be aware of, and it just seems, unless I'm asking the questions, it's generally not forthcoming from Health and Human Services. And I think that-- I think we're missing a tremendous opportunity to, to help educate people and help get people involved. And, and so, I would encourage in the future that we do a much better job of that communication transparency. And I'm not laying it off on you. I've, I've had this conversation with other folks also. But anyway, I appreciate it, I appreciate, I appreciate it very much.

TONY GREEN: Yeah, and just so folks know, who are watching and listening, I mean, there is an entire page on our public website

that's devoted to the interRAI that will give you the scores that interRAI sets out and where those fall in the budget tiers.

G. MEYER: And hopefully, there's sufficient explanation of just what they represent.

TONY GREEN: There is.

G. MEYER: OK.

TONY GREEN: Yeah.

G. MEYER: Thank you.

FREDRICKSON: Questions from the committee? Senator Hansen.

HANSEN: Could you just maybe, more for our educational purposes, explain a little bit about the interRAI, like in a nutshell? Like, the best you can, how does it work, how does the scoring work, and like, what, what, what do the applicants have to go through, I guess?

TONY GREEN: Yeah. So, the whole assessment is based on documentation and record review, as well as an observation and a conversation with the participant and/or their, you know, family caregiver or whomever. InterRAI is a nationally-validated tool that many states are using in, i-- many different areas. As you've heard, there's multiple different, interRAI is the company's name. They have different assessments for many different populations to include behavioral health, folks with developmental disabilities, folks that-- with aging and physical disabilities, and so there's a whole suite of assessments. The basic premise of an interRAI is that It will categorize folks into what they call a case mix index. And so based on all of the answers and, and the, the questions that folks go through in, in this assessment or the documentation that we would look at to fill out the assessment, it will spit out a score. And as an example, it would spit out a score, let's say 1.0. That means that you are the average cost to serve, and it will spit out scores above and below that. And so what you'll-- what you would see on our website is the chart that says, OK, if you score, let's say, a zero to a 0.8, that's going to be a basic tier. If you do a 0.9 to this, to a 1-point whatever. That's maybe intermediate, and so on. No different than how we were doing the ICAP before, where a score came out of the ICAP and, and ranges of those

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scores also fit into budget tiers. So it's an assessment that will, that will spit out your, your case mix index, which is, is developed based on what it generally would cost to serve you in those ranges. It, it can then-- it, it also will spit out caps, which will guide teams to kind of develop your service plan. So it will identify areas that you need additional training or support in or monitoring in that the team would want to be aware of. If that's--

HANSEN: Yeah. So who-- you mentioned the observation part of it. Who's doing the observing?

TONY GREEN: The, the waiver service specialist who is, is the one that conducts the administration of the tool.

HANSEN: And who is that?

TONY GREEN: An employee of DHHS.

HANSEN: Are they a medical professional at all?

TONY GREEN: No.

HANSEN: OK. [INAUDIBLE] kind of background does somebody have to have?

TONY GREEN: They're required to have bachelor's degree, and then all of the staff in that unit go through training specific to the interRAI assessment, and just generalized developmental disability and aging and disability training.

HANSEN: So I think basically I'm kind of more curious-- and then it does help. The level of care, I guess, and so the whole point is trying to figure out the level of care specific to that individual, about what they need. Like, if somebody does need 24-hour care, which is legitimate.

TONY GREEN: Mm-hmm.

HANSEN: Like, that's the whole purpose of the interRAI, is to figure that out, along with the observation and the assessment. Correct?

TONY GREEN: Yes. It-- it's a little, it's, it's a little-- this is where it gets a little confusing. So InterRAI spits out a case mix

index. That's not our score, that is theirs. That is their tool, their algorithm that says you're an average cost or you're above or below an average cost of a person, based on your needs. We also, on the DD waiver side, in addition to putting you in a tier based on the, the, the cost, use that tool to determine level of care, meaning do you have needs that require-- that meet the level of care for PSDC or an intermediate care facility. So we use it for not only a budgeting tool, we use for the level of care, to say yes, you're even eligible for waiver services, and then it's also used to guide-- because there are 3 waivers on the DD side, it will guide which waiver is the most appropriate for you. And then it will also then give whether the needs in that assessment qualify you for 24-hour residential or whether your needs would be more met, you know, on an intermittent or an in-home residential service. Aged and Disabled, completely different. Still use the InterRAI, but today, that tool on the interRAI is only determining whether you meet nursing facility level of care. It is not being used for budgeting or hours or any other factor, at this point in time.

HANSEN: OK. If I can ask another one. So does-- during this whole assessment period, does it take into account the ability of the caregiver to take care of them at home? Right? So this is-- OK. So it's, it's assessing the individual. Right?

TONY GREEN: Yep.

HANSEN: And then, OK. Well, there, you're best served in BDSC or you know, something like that.

TONY GREEN: Mm-hmm, mm-hmm.

HANSEN: But however, they have a caregiver who is able and willing to take care of them at home. Will it kind of like not just interRAI, but also what, what the-- what you're doing or saying.

TONY GREEN: Yes.

HANSEN: This is different. They can be-- actually be taken care of in their home. Because I think primarily, that's what I would like to see them be. And I think if they have somebody who's willing and able to be at home, take care of them, that may not be part of the assessment

tool, I think. Because that's-- I know it's purely-- hopefully purely objective, but then that might also be something that's a little bit-- it's not subjective, but maybe different.

TONY GREEN: Yeah.

HANSEN: Is-- do, do we ever take into account that at all, or how is that taken into account?

TONY GREEN: It is in the assessment. So there are, there are questions in the, the interRAI tool that get at caregiver capacity. And there's, there's numerous questions throughout the assessment that we'll, we'll look at that. And, and that generally, would be one of the things that interRAI would look at to say whether you have the supports available to you at home or whether you don't have the supports available to you at home, and that can change, then, the, the outcome.

HANSEN: OK.

TONY GREEN: Right.

HANSEN: Makes sense.

TONY GREEN: Yeah.

HANSEN: Can I ask another one? I don't want to--

FREDRICKSON: Senator Hansen, you can ask as many questions as you'd like.

HANSEN: All right. OK, good. You said it. So can you, can you address maybe what one of the supporters of this bill mentioned about really to not comment on, on the outcome, but more the process? What did they mean by that?

TONY GREEN: Yeah. So the, the appeal-- again, so remember the, the scores come out zero to whatever, right, and then these scores are basic. Right? Basic tier is, is kind of our lowest level of, of support or reimbursement to providers. Everybody in the waivers requires support, right, because they all qualify to live either in a nursing home or they qualify to live at the SDC. The tiers are the, the amount of reimbursement or the intensity of staff that would have

to intervene with you, is what those tiers are. And so our highest tier is advanced. Advanced, generally you would see a, a one-on-one staff all the time, during all waking hours, caring for your needs. Basic means your needs can generally be met in intermittent or more of a ratio, where you can be with other folks, and, and one staff could work with 3 people, per se. OK. So the appeal will take your score and then it goes into one of those tiers. And so let's say you're going from a high to intermediate, which would be a drop in your tier or a reimbursement rate to your provider. When, when families are going to the appeal, their-- the issue, you know, that, that they're talking about having the, the, the difference in, is that the score is already preset to say this is what tier it is. And so really, when you go to the hearing, you're-- you would have-- and, and families would say, I want high tier instead of intermediate, or I need high tier as opposed to intermediate. You have to be able to show within the assessment what question is inaccurate. And that's the difficulty, is that generally the questions are accurate in scoring people into the right tier, or the frustration is sometimes, you know, not knowing how that case mix index is built on the inside that interRAI has. We've seen folks where we have made changes to the interRAI, right, that somebody maybe filled one out and had, had a data error, and it didn't change the outcome, and, and that becomes frustrating then, as well, not knowing which questions move you from basic, to intermediate, to advanced. And, and those are interRAIs, and-- right? And so, those, those are not ours in how those work.

HANSEN: OK. Thank you.

TONY GREEN: Yeah, you're welcome.

FREDRICKSON: Other questions? Senator Quick.

QUICK: Yeah. Thank you, Vice Chairman.

TONY GREEN: You're welcome.

QUICK: So my, my question is, so when, when did this all start? The interRAI? I mean, is this something new, because-- or has this process been going on for a while?

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TONY GREEN: Yeah. So on the Aged and Disabled waiver-- oh,my-- I'm going to date me. I think we started using that tool over there-- again, on the AD waivers site for nursing facility, we're only using the interRAI to make one decision, which is do you qualify to live in a nursing home, which is, do you meet the level of care? So that, that tool, child and adult, on the nursing home side was implemented back around, I want to say 2020. The DD side, we just switched from an old, outdated assessment that wasn't even being maintained anymore by the owners, called the ICAP. We just switched to the interRAI in July of 2025.

QUICK: OK. So what's the change now that we're seeing so many people that aren't filling out-- that are either not-- they're having their appeal process, where they're, they're being denied or whatever. Why is that? Because all of a sudden, we're saying that change.

TONY GREEN: Yeah.

QUICK: There's got to be something that's happened that-- as a result, that we're seeing this change.

TONY GREEN: There's a couple things. I mean, it, it-- in, in simplistic answer, there are, there are two different assessments that ask very different questions and have very different outputs of scores, right? So, for example, the ICAP spit out a score from 0 to 90. This will spit out a score from zero to like 3-point something or 4-point something. So it's not-- it's a, it's a different output that get-- that, that then gets put into those tiers. One of the complicating factors on the DD side that is causing some change in folks is the amount of time since the person was last assessed using the ICAP. So we implemented a process in DD several years back that we allowed teams, on an annual basis, to say that there were no changes. They reviewed the ICAP and said it was still good. We are finding that folks did have changes in their needs and the teams didn't request a new ICAP, so some folks today who are actually getting an interRAI administered have not actually had a formal assessment of their needs done for 4 and 5 years, some a couple years, but-- so in that window, some folks have not had an assessment for a number of years, and that can-- obviously, folks' needs change over time. To give you some perspective of, of what's-- what these changes are in the interRAI, on the DD side again only, of the 2,300 assessments we've done since

July, we have had 400 folks that, that had a change down in their tier. 1,890 have had no change or actually an increase in their funding, and so it's-- 17% have gone down, 81% have stayed the same or gone up.

QUICK: All right. Thank you.

FREDRICKSON: Other questions? Senator Meyer.

G. MEYER: Thank you. I, I, I know we need to move on. I, I don't want to belabor the point. Is interRAI, is it standard in the industry, with regard to Department of Health and Human Services, across states, universal-- universally utilized?

TONY GREEN: Yes. It's used in many states. I don't think I've got the exact number with me, but many states use the interRAI for various purposes.

G. MEYER: Would you agree that home care-- the home caregiver and the home, home care experience, in general, is superior to institutionalized-- better outcomes, better quality of life for those that, that require those types of services?

TONY GREEN: Yes. That's, that's why we offer waivers in Nebraska. I think it's important to know: waivers are optional services for states.

G. MEYER: If we didn't have the options for the waivers, we wouldn't have enough placements, institutionally, to put folks in, would we?

TONY GREEN: No.

G. MEYER: OK.

TONY GREEN: And, and philosophically, we wouldn't want everybody in an institution. It has its place in the continuum of care and is very appropriate for some people, but our preference is always to try and serve folks in their communities if we can, and in their homes.

G. MEYER: I appreciate your input today-- very much. I, I think it's, it's very helpful, and I appreciate you coming today. Thank you.

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TONY GREEN: You're welcome.

QUICK: One more question.

FREDRICKSON: Senator Quick.

QUICK: Yeah. Thank you, Vice Chairman. So, you know, when you were explaining the whole process and the, and the scoring and everything, I mean, for, for that family member, that's got to be a pretty complicated process. So filling out that, that waiver, I mean, it may be a simple-- I don't know how that form-- what looks to them-- I've never seen one applying for that-- either one of the waivers. But can you talk about what that maybe would look like for them, or is there training for them to understand and maybe help that they can get that-- to filling out that, that waiver?

TONY GREEN: Are you talking about applying for a waiver?

QUICK: Applying [INAUDIBLE]--

TONY GREEN: Or applying through the interRAI process--

QUICK: Well, either one. I don't know.

TONY GREEN: --for your, for your needs assessment?

QUICK: Because it, it sounds a lot-- it sounds pretty confusing for me. And those family caregivers are taking care of that-- those-- their, their, their family members.

TONY GREEN: Yeah.

QUICK: And that's just-- there's a lot on their plate anyway, and then trying to, to do all this, too, so, you know, I don't know. Is there help for them, or what?

TONY GREEN: Well, I think, you know, the, the questions are pretty straightforward, right? So they're, they're just-- the-- much of it can be done in documentation, right, because it will look at, at, at medical conditions, medications, diagnoses, things like that. And then, the rest of the assessment is really a conversation with the assessor, as they go through the various needs areas, to talk about

what skills and abilities the person has and what skills and abilities they might need assistance with. And so, it-- it's really just kind of answering all of those questions accurately, and that will then-- interRAI will spit out a case mix index that says, based on all of that, this is where you would fall in the average or above or below average to serve-- [INAUDIBLE].

FREDRICKSON: Is there ever an in-home visit, where you go and, and look at the home to see how, how things are, are going there, or--

TONY GREEN: Yes.

QUICK: OK.

TONY GREEN: Yeah. So the, the, the actual process of, of where we do the assessment, I think, you know, in the beginning, obviously, the-- rolling this out, it's-- it was bumpy. But I think, you know, where we're at today, the assessments will be completed with whoever the informants need to be. We-- we're required to meet with the participant as a part of the assessment, and, in fact, that's the primary person you must speak to, or observe, is the actual person that would be receiving the services. And then, it's really an individualized process from there, of whoever those support folks are for that person, can be a part of that assessment. Obviously, there's logistics that-- you know, we've seen some teams, out of concern, try to have, like, 15 staff from an agency come, and that gets a little bit too much, in that it's just-- we just need an answer to this question, right? And, and generally, the 15 staff were giving the same answer. And so, we just need somebody there if the participant is, is not able to communicate those things on their own to us, that we can have somebody reliably answer those questions.

QUICK: OK. All right. Thank you.

FREDRICKSON: All right, Director Green. I think we have to say, thank God, that there was some time that passed between the proponents and me asking questions, because I'm a bit more regulated. But OK, a couple questions for you. So do families have access to their entire case files?

TONY GREEN: Our electronic case management system of Therap?

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FREDRICKSON: Yeah, I'm just thinking if, if, if, if you're a family member, you know, if, if you are able to access your, your file, as, as it relates to this.

TONY GREEN: For the most part, yes. We actually give login and accounts to parents, to, to log in and see like, documentation from their provider. There's certain modules they can view in there. But certainly, the service plan, any assessments that we're using, any medical records, those are always available to families.

FREDRICKSON: OK. And they have the right to request that--

TONY GREEN: Yes.

FREDRICKSON: --and [INAUDIBLE] that process. OK. I get-- and then, the other thing I wanted to touch on is I know you-- you had mentioned some of the concern with the proposed legislation partially being-- the risk of becoming out of compliance with the federal government, just based on-- and I, and I can certainly understand and appreciate that. And I'm, I'm glad that you did bring that up. I guess my question related to that is I don't, I don't, I don't know that this legislation would have been brought had it not been for the department's action in, in their decision to make these cuts that, as we've seen today, are incredibly consequential. And so, you know, I would love if we didn't have to bring this legislation to a certain extent, but I guess what I'm trying to get at here-- and I'm not trying to put you on the spot, in a way. But like, do, do you see the connection as to why the Legislature was interested in this piece of legislation, given what we're hearing from our constituents about what these proposed changes in the department-- how this is going to impact their lives?

TONY GREEN: I, I understand the interest in it, yes.

FREDRICKSON: OK.

TONY GREEN: Yeah. I don't know that I agree it necessarily is something that needs legislated.

FREDRICKSON: OK.

TONY GREEN: But--

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FREDRICKSON: Do you think the department is willing to change course?

TONY GREEN: In regard-- so we're-- I guess if your question is about the waiver that's out there today, it's still under public comment. So we're still receiving our second round of public comment through March 4. We'll go through the same exact process that we did with the first public comment. We, we collect all of that, we gather that, we're required by CMS to develop responses of whether or not we're going to change the waiver in any way, based on that public feedback, and then we'll make a decision. Similarly, in the first round, you have the choice to take the feedback, identify through a document what your response is to that feedback, and you could submit your waiver, or you can, if you're making substantive changes, you go back out for public comment. And so, we'll go through that same process here, after March 4 hits. We'll go through and see what the comments are in there, this second round, with some of the changes that you've heard about, where we eliminated the, the cap for, for folks who are living independently, but we did maintain the cap for live-in or family caregivers at that 150%, or $138,000 a year-- is the cap for live-in caregivers. We'll take that feedback, just as we did the first round, and, and, and make a decision whether we want to continue on with submitting it to CMS, or whether we would need to do an additional public comment period.

FREDRICKSON: OK. That's helpful. I appreciate that. Thank you, Director. Senator Meyer.

G. MEYER: I, I just have, just have one thing I want to touch on, and if-- I'm going to leave you alone. I heard previous testifiers say that they're getting minimum wage to take care of their, their loved one at home. I thought, at $138,000, I realize we've established about $92,000 is the cost of a nursing home, in general, so 150% runs up to about $138,000. I ran the numbers, $15 an hour, 24 hours a day, 365, $131,400. They are getting minimum wage to take care of their family members. And, and once again, I'm, I'm not saying that's good or bad. But it, it just seemed like, at $138,000-- it sounds like a lot of money. It's not, really, in, in taking care of-- 24 hours, some of the challenges that, that families have, so I, I just wanted to make that point.

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TONY GREEN: OK. And just for a point of context, so you know, there are currently only 60 people in the whole state that are currently in a paid status 24 hours a day.

G. MEYER: Good.

TONY GREEN: Yeah.

FREDRICKSON: Other questions? Seeing none, thank you, Director Green.

TONY GREEN: You're very welcome.

FREDRICKSON: Are there other opponents to LB958? Seeing none, is there anyone here to testify on the neutral capacity for LB958? Seeing none, we did have online comments. We had 22 proponents, 7 opponents, and 1 in the neutral capacity. Senator Machaela Cavanaugh, you are welcome to close.

M. CAVANAUGH: Thank you, Senator Fredrickson. Thank you, again, to everyone who came to testify today. Myself and Margaret took notes to all the proponents' testimony, and, and the feedback is very much appreciated, and we will be taking that into consideration. We'll probably end up bringing some changes, based on today's hearing, to the committee. And thank you to Director Green. Director Green and his staff did meet with Margaret and I last week, so we had similar conversations that you all had today, on the interRAI and the scoring system. So there's sort of two issues here. The one is the waiver that was the announcement several months ago that kind of sent everybody into panic that brought this legislation. And, and then, when they sort of reversed course a little bit, started hearing from families about this other issue with the assessment, and how the two things together really were creating a financial tipping point for all of these families, that they were in crisis. And so, trying to marry those two issues in a thoughtful way is what we're attempting to do. And I, I agree with Director Green, that codifying in statute that they have to get legislative approval for 1115 waivers is not an ideal solution to this issue, although I know that Senator Riepe would be on board with that. But that's for another day. But I do think we need to have a more open and transparent moving forward. And thank you, Senator Meyer, for your comments, on the minimum wage. Because I was writing down notes earlier, about if we were to change the caps, how

would we do that? What would we tie it to? Would it be the CPI? Would it be minimum wage? And so that is something that-- you might see some language around that in a forthcoming amendment. But I did-- I do disagree with Director Green, on the issue of budget neutrality in the CMS federal application. Because budget neutrality, in the way that it's presented, implies budget neutral, but it also can be less. And as we know, just from the budget-- the actual budget-- that the changes that were being put forward were going to cause a significant cut to state funding for DHHS, for this. So it's not budget neutral. The changes were going to have a large cut, and that, to me, is a red flag that needs more exploration and that's why I prioritized this bill and why I am so committed to making sure that we get it right. And I know we only have 25 days to do it, so we've got our work cut out for us. But I am up to the task, and Margaret is up to the task, and this is-- been my priority since before I was here. This is the entire reason that I ran for the Legislature, was to ensure that our state was taking care of our developmentally and intellectually disabled individuals. I've done other things since I've been here, but at my heart, at my core, this is why I am here. This is why I have served for 8 years, and I am grateful to be in front of all of you one last time. And Senator Hansen, you must have-- I must have rubbed off on you because that used to be my seat and you asked a lot of questions today. You were really channeling me. But thank you for your friendship and for being an advocate in this work with me. It has meant the world to me. I'll take any questions.

FREDRICKSON: Thank you, Senator Cavanaugh. Any questions from the committee? Seeing none.

M. CAVANAUGH: Just take one of these for the road. Thank you.

FREDRICKSON: Thank you. That will close our hearing on LB958. We're going to let the room turn over for a bit.

HUNT: Wasn't it inspiring?

G. MEYER: Do I need to ask permission every time--

FREDRICKSON: All right. I think we're going to get started on our next bill. Senator Hunt, you are welcome to open on LB734.

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HUNT: Good afternoon, Vice Chair Fredrickson and members of the Health and Human Services Committee. Might wait just a sec.

FREDRICKSON: Yeah, maybe like wait a bit for the doors to close, so.

RIEPE: You need a gavel.

FREDRICKSON: Well, some chairs do have those.

HUNT: Nobody needs a gavel, in fact. It's hot.

FREDRICKSON: OK. I think we're almost there. Are you ready, Senator Hunt? OK. Let's go.

HUNT: Good afternoon, Vice Chair Fredrickson and members of the Health and Human Services Committee. I'm Senator Megan Hunt, M-e-g-a-n H-u-n-t, and I represent District 8 in the northern part of midtown Omaha. And I am here today to present LB734, a bill that would attempt to undo some new federal work requirements for SNAP for 3 specific groups of Nebraskans, who were not previously subject to these requirements. All of these requirements came with the passage of HR 1, the "one, big, beautiful bill," in Congress. And the groups of people that that bill affected in Nebraska are veterans, the homeless, and young people who are aging out of foster care, under age 24. So the short version of this bill, if you want to zone out or can't help it-- the short version is that this bill puts back what was undone by H-- HR 1. So HR 1 imposed a number of changes to states' implementation of the Supplemental Nutrition Assistance Program, or SNAP, and one of these changes was to impose new work requirements on these 3 aforementioned groups that have historically been exempt from such work requirements. As a result, these groups have lost access to crucial food assistance that they depend on while they are unable to work due to health conditions, PTSD, or other physical or mental disabilities; or during a transitory period, while building a more stable future, in the case of people experiencing homelessness, or youth aging out of or having recently aged out of foster care. LB734 would remove a new federally-imposed barrier to the temporary safety net that SNAP provides for these individuals, restoring Nebraska back to its previous status quo on that policy. This is accomplished by directing the Department of Health and Human Services to apply for a federal waiver from these HR 1 requirements. The federal updates to

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SNAP were not adopted in consultation with the states, and now it is our prerogative as state lawmakers to weigh in on how Nebraska is going to choose to implement those changes. In the vast majority of cases, studies show that stricter work requirements do not accomplish their stated goal of limiting the people using food assistance, because most SNAP recipients who are able to work and are required to work already do work or participate in an employment training program. There are pre-existing general work requirements for people aged 16 to 59 and able to work, and additional stricter work requirements and time limits for able-bodied 18 to 54-year-olds without dependents. These able-bodied adults without dependent requirements already significantly increase administrative burden for the state and families, and people risk losing benefits even if they are working, for reasons like not documenting enough hours at a job. With LB734, we are attempting to keep Nebraska where we were already at, in terms of-- with regard to new requirements imposed by HR 1, on 3 specific groups, each of whom weren't subject to these requirements before this bill and who have evidence-backed reasons for needing a little bit more latitude, as far as their eligibility for food assistance. The first group, veterans, in Nebraska, we know tend to face higher rates of unemployment and also have higher rates for mental illness, brain injuries, cognitive impairments, and mental health conditions like PTSD, along with other physical disabilities, and these disabilities and conditions are often related to their service to our country. And those things can prevent them from finding work. According to the U.S. Department of Veterans Affairs, approximately 4,000 veterans in Nebraska rely on SNAP. With HR 1, these service-impacted veterans are now required to work or participate in training for 80 hours a week with diligent documentation in order to maintain SNAP eligibility. It's above and beyond what Nebraska was already requiring. It's a moral failing for us to allow those who secured our freedom to struggle with food security in a system that they fought to defend, and this bill is a direct way to honor their service with action and not just with rhetoric. The second group of people who are impacted by this bill are the homeless, and these are people who are often unhoused due to mental health conditions or addiction, and those things can be very hard to treat or overcome when you don't have a stable living condition or healthcare. Our shelters and soup kitchens that we have in Nebraska are really good resources, but the need for these services is often much larger than the capacity that they have

to provide. If you've ever talked to someone who's been in this situation, many homeless people also have reservations about staying in shelters because of legitimate concerns that they have about theft, safety conditions, assault, and some service providers, some of these shelters, even have requirements for people that they'd have to pass a drug test to get services. So that's a significant challenge, if someone is deep into addiction or doesn't have access to treatment resources. The third and final group addressed in LB734 is former foster youth who are aging out of foster care and under the age of 24. Some people age out when they reach the legal age of majority in Nebraska, which is 19. And we also have in Nebraska the Bridge to Independence program, which some foster youth voluntarily participate in. And that program provides support for people aging out of foster care up to age 21, as they transition into independent living as a young adult. There's, of course, all kinds of research out there. This is the committee that hears all of it, so you know what I'm talking about. But research about how these former or transitioning foster youth experience poverty at a much higher rate than their peers, because they didn't grow up with a stable financial foundation. They are less likely to have supportive adults. Mentors in their lives who set them up early for success. They may or may not have a lot of successful access to the job market. And many of them lack the professional networks that the rest of us were born into. Many of them have experienced abuse or neglect that contributes to the mental and behavioral health challenges that they have as adults. They're less likely to have reliable transportation or housing, and a lot of disruptive life events that they may have had, like home placement and school transitions, can cause them to fall behind academically, which leads to increased-- or which leads to decreased earning potential in the job market. For this population of former foster youth, they're just beginning to navigate life on their own. They've had the deck stacked against them one way or the other their whole life, through no fault of their own, and the least we can do is remove a completely new barrier to meeting one of their most basic needs: food. They deserve food. LB734 has no fiscal impact, as it just retains our state's current work requirement exemptions. The fiscal note states that Nebraska currently qualifies for 100% SNAP benefits to be federally funded, due to our state's low error rate and there would be no state cost if the waiver is approved and minimal administrative costs could be absorbed with current agency resources. Retaining SNAP eligibility

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for these populations at no cost to the state also acts as an economic buffer for other entities. When SNAP recipients lose their benefits, the costs don't disappear. They shift to emergency rooms, local governments, shelters and food banks that are already incredibly strained. SNAP is a more efficient use of resources. According to Nebraska's Food Bank of the Heartland, for every one meal that a food bank in Nebraska can distribute, SNAP can distribute nine. Ensuring access to 100% federally funded SNAP benefits allows those dollars to be spent supporting local grocery stores and food producers instead of shifting that cost onto other service providers in our state. This is a no-brainer at a time when so many Nebraskans are facing food insecurity, especially for these 3 groups they're facing greater food insecurity because now they have more barriers put on them because of this new bill. From 2023 to 2025, Food insecurity in our state has increased 45%, and it shows no sign of slowing down. 1 in 5 food-insecure Nebraskans are children, who would needlessly suffer hunger if their parents lose SNAP. I believe some testifiers are coming who will provide some greater detail about the implications of the HR 1 work requirements for these populations. I just want to emphasize, again, that prior to HR 1, prior to this legislation from Congress, these groups were not subject to these work requirements. And with LB734, we can just keep things as they were, here in Nebraska. We know that our system works, we know that our agencies are equipped to do it, and we know that no one can thrive or move to greater self-sufficiency if they are hungry. Thank you.

FREDRICKSON: Thank you, Senator Hunt. Are there questions from the committee? Senator Hansen.

HANSEN: I think the part that you're adding is pretty self-explanatory, kind of what you were just talking about in your opening. My question is more about what you're crossing off here. Does that-- would this restrict the state's ability to enforce any work requirements then? I understand, like I think it's the second paragraph that you crossed off, gets rid of the employment training program.

HUNT: Let me check with my staff and get back to you on my close with that. And I also think someone behind me can answer that, too.

HANSEN: OK. Cool. Thanks.

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HUNT: Thank you.

FREDRICKSON: Other questions? Senator Riepe.

RIEPE: Thank you, Chairman. Thank you for being here, Senator. I'm looking at the fiscal note, and in here-- and I quote, it says: "Currently, SNAP benefits are paid using 100% Federal Funds and administrative costs are paid with 50% State General Funds and 50% Federal Funds. Effective October 1, 2026, administrative costs will be paid using 75% State General Funds and 25% Federal Funds." And I picked up in your comments, you said there would be no state cost. Is this a contradiction, or am I just not understanding?

HUNT: I think, I think we're just not understanding, and someone behind me will explain that. There's no state cost.

RIEPE: OK. OK. I'll follow up on it. Thank you.

HUNT: Thank you.

RIEPE: Thank you, Chairman.

FREDRICKSON: Thank you. Other questions from the committee? Seeing none, will you be here to close?

HUNT: Yes. Thank you.

FREDRICKSON: All right. Thank you, Senator Hunt. We will now move on to proponents. And while our first one comes up, we did have some ADA testimony I will read briefly into the record. So the Health and Human Services Committee received written ADA testimony from Mary Agnes, of Omaha. That's M-a-r-y A-n-g-u-s, in support of LB734. This testimony will be included in the official hearing transcript and the testifier included on any committee statement that is published. The testimony has also been provided to all members of the committee. Moving to proponents. Welcome.

ERIC SAVAIANO: Welcome-- or I appreciate that. All right. Members of the Health and Human Services Committee, my name is Eric Savaiano, E-r-i-c S-a-v-a-i-a-n-o, and I'm the Economic Justice Program Manager for Food and Nutrition Access at Nebraska Appleseed. We are a nonprofit, nonpartisan law and policy organization fighting for

justice and opportunity for all Nebraskans. I wanted to specifically call out or, or describe some of the existing work requirements as they are and define just a bit, about what exemptions are there to do. But also, just remind folks that HR 1, or the "One Big Beautiful Bill", not only changed eligibility for refugees, asylees, and certain visa holders, as we discussed last week with Senator Rountree's LB843, but it also added these more stringent work requirements for vulnerable participants. As Senator Hunt said, these are people experiencing homelessness, people who've aged out of foster care, and veterans. And specifically, I would also just note some facts about work and SNAP participants. Most SNAP participant-- participants who can work already do. Furthermore, all SNAP participants are subject to a general SNAP work requirement unless they are exempted. Exemptions are on page 3 of this, this document, as well. So specifically, the more stringent work requirements that these exemptions were related to, are related to what are known as ABAWD, or Able-Bodied Adults Without Dependents work requirements. So this is for folks on the SNAP program between the ages of 18 and 64, who have no children or have children over the age of 14, and who are not disabled. This group must show evidence of working at least 20 hours a week or lose their SNAP benefits after 3 months in any 36-month period. And for a variety of reasons, sometimes these time-limited adults, even those who complete 20 hours of work a week, have difficulty documenting and reporting these hours. Some eventually lose SNAP because of it. I'll also just share that other testifiers behind me can share specific challenges that come with being members of these previously exempted groups, and that HR 1 changes have resulted in SNAP participants overall decreasing our numbers by over 10,000-- there's a chart on the third page, as well-- since HR 1's passage, just in those, in those 6 months. As fewer families participate in SNAP, more kids lose automatic access to free school meals, and food banks and pantries struggle to make up the difference. And also, other parts of our system like the criminal justice system and child protective services take on more work. I think I can answer some questions that you all posed previously. The second paragraph of the bill does strike language that was passed last year. I see my time is up.

FREDRICKSON: Mr. Savaiano, [INAUDIBLE] say, but maybe Senator Riepe or, or, or Senator Hansen.

HANSEN: Yep.

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ERIC SAVAIANO: Yes.

HANSEN: Oh, yeah--

ERIC SAVAIANO: You want me to finish?

HANSEN: I have a question. Could you please answer that question?

ERIC SAVAIANO: I'd be happy to.

HANSEN: Thank you.

ERIC SAVAIANO: Thank you. Those, those lines were added last year when LB192 passed. That was Senator Andersen's amendment to LB192, which increased our SNAP gross income eligibility to 165. That language does limit SNAP waiver applications in Nebraska, which are in place-- not exemptions. These are waivers for certain counties that have high unemployment rates and low job opportunities. And so, that language is in Senator Hunt's bill to eliminate, and it would make it so that we could theoretically apply for SNAP waivers for certain counties which have historically only been active in Thurston County, where the native reservations are. I appreciate that question.

FREDRICKSON: Other questions from the committee? I had one, I think. I, I think Senator Riepe had mentioned on the fiscal note, the-- there was the 75% state general funds and 25% federal funds. Am I reading this correctly? Is that the administrative shift that was passed with HR1? So that's happening regardless of this piece of legislation? That's the new federal law, is that right?

ERIC SAVAIANO: Yes, that's right.

FREDRICKSON: OK. Yeah, so.

ERIC SAVAIANO: Yeah. So the one big bill also changed the structure of our SNAP program. We used to pay-- we still do, currently-- 50-50 state and federal--

FREDRICKSON: Yes.

ERIC SAVAIANO: --match for administrative costs. Starting, I think, October 1, is it 2026, it would switch to a 75-25 split, whereas--

where the state would be responsible for 20-- 75% and the federal government would do 25. So in general, our caseload is going to, as, as it drops, our administrative costs will go down. But if we're correct about work requirements causing folks, especially these homeless individuals, former foster youth, and veterans, to lose SNAP access after those 3 months, of course, our administrative costs will go down, but it means that we will be subject to a bit more administrative cost burden because of that 75-25 split.

FREDRICKSON: OK. And then my other question is-- and I know a, a, a, a lot of this is obviously new with HR 1, are we aware-- are other states implementing something similar, like for example, for veterans or youth, I mean, the folks that we're doing here, do we know of other states that are kind of going on this trajectory?

ERIC SAVAIANO: Not since HR 1 passed. I do know other states have been fairly generous with some of their state funds to fund SNAP benefits for ineligible folks, which is an option for this committee or, or this Legislature. But I haven't heard of others working in the same way to, to make sure these folks have food.

FREDRICKSON: OK. Understood. Thank you. Other questions from the committee? Seeing none, thank you for being here.

ERIC SAVAIANO: OK. Thank you.

FREDRICKSON: Next proponent. Welcome.

ROBIN NOLTE: Thank you. Good afternoon, members of the committee. My name is Robin Nolte, R-o-b-i-n N-o-l-t-e, and I'm here today to share my story, because it shows why LB734 is not just a bill, it's a lifeline for families like mine. In May of 2024, my life was perfect. My son was graduating high school, my daughter was turning 16, I had a great job clearing 6 figures. I thought I'd arrived. Then everything changed. I left my son's graduation in an ambulance. Turns out I had an infection after oral surgery, and I would later learn that I was in septic shock. The infection had already damaged my heart, and at 38, I was diagnosed with heart failure. I tried to return to work, only to find my job had been eliminated. Suddenly, our security vanished. I filed for disability, lived on savings, and sold everything we owned. By February of 2025, we were facing eviction. I couldn't move into a

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cheaper place because I didn't have a job or any income, and no one would rent to us. My disability claim had been denied, and I was staring at an unknown amount of time, again, with no income, no job, and no place to live. We became homeless. For 10 months, we lived in basements, on the streets, wondering where we would sleep each night, wondering where we would eat. After 7 months of endless paperwork, in October 2025, we finally moved into a home we could afford. It felt like a miracle, but no family should have to live like we survived. Back then, there were no work requirements for SNAP in my position. The only thing that was stable in my life at that time was food. It was a huge relief just to be able to feed my family. I was doing everything I could to survive. All of my time was dedicated to figuring out my health, life stability, and navigating resources. Accessing SNAP at that time supported me in getting the stability I needed that ultimately led me to finding full-time employment. LB734 would make a difference for families like mine. It lifts the work-- the burden of work requirements from people living in vulnerable situations. The bill reinstates SNAP access for individuals navigating the challenging transitional circumstances: seeking stable housing, returning from active duty, transitioning out of foster care. SNAP work requirements can prevent struggling families from getting the food that they need they need to survive. When life changes in an instant like it did for me, these programs are not just support, they are survival. I urge you to support LB734. This bill can help families who are sick, struggling, or homeless to put food on the table. It can prevent the pain and the fear my family experienced. Please help families have a chance to survive and to thrive. Thank you.

HANSEN: I've now been appointed the Vice Vice Chair of the Health and Human Services Committee. So thank you for your testimony. Are there any comments from the committee? Yes, Senator Quick.

QUICK: Thank you, Vice Vice Chair. My question is-- and, and maybe-- and I appreciate your story and--

ROBIN NOLTE: Yeah.

QUICK: And I'm sorry that all happened to you.

ROBIN NOLTE: Thank you.

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QUICK: But-- and I know that Nebraska's, you know, for employees who are at will. And so, was there a reason they give, other than-- I mean, I'm sure they couldn't use medical reasons that they lost your position

ROBIN NOLTE: I think that's an interesting question. They did not use medical. They used downsizing for my employment. So I ultimately filed an NEOC claim, but-- for that termination.

QUICK: OK. And how long were you, with your med-- with your condition, how long were you gone from work?

ROBIN NOLTE: Just under 12 weeks.

QUICK: OK. All right. Well, I'm sorry that happened to you, and thank you for your [INAUDIBLE].

ROBIN NOLTE: Thank you. Thank you.

HANSEN: Any other questions? Seeing none, thank you very much. All right. We'll take our next, next testifier in support of LB734. Welcome.

ASHLEY SCOTT: Hi. Thank you. I apologize. I'm really nervous. But hi, members of the committee. My name is Ashley Scott, A-s-h-l-e-y S-c-o-t-t. I am here in support of LB734. LB734 would protect food assistance for some of Nebraska's most vuln-- vulnerable populations, including people experiencing homelessness, veterans, and young adults aging out of foster care. Access to consistent nutrition provides the stability people need to pursue employment, education, and independence. I support this bill because I know what it's like to go without food. No one should have to have that experience. When I was 9 years old, my family experienced a period of food insecurity. I remember one afternoon after school in particular, my brother and I walked a long distance to the library and we went straight to the vending machine, hoping to find enough change for a snack. We emptied out our backpacks, checked our pockets, and even searched around the machine, hoping to find a single quarter, and we didn't. I remember the feeling of standing there, exhausted, hungry, and trying not to cry, while my brother and I leaned against the glass and wished something inside would fall. We didn't have enough money for breakfast

that morning, and the only source of nutrition we received that day was lunch at school. That moment has stayed with me. Hunger is not just uncomfortable. It affects your focus, energy, sense of security, and ability to learn and grow. I was the child who spent her afternoons worrying about where my next meal would come from, and I don't want that for my daughter, and I don't want that for the many Nebraskans who would be harmed by these new SNAP work requirements. Food assistance is not a barrier to work, it's a foundation for it. My experience taught me how critical programs like SNAP are, during times of hardship and how quickly any family can find themselves in need. My mom was a single mother. She was working two jobs, and when we finally received the SNAP card in the mail, it was a relief off of her shoulders. She herself no longer skipped meals to ensure her kids had enough to eat, and my brother and I never went to school hungry while receiving SNAP. Having access to this resource meant that my mother could continue to work to provide for her children. LB734 is important for today's job market. With funding and economic changes, there's a lack of job security. I am a working parent and a full-time student. After just a few months of working at a local paid internship, I was laid off due to lack of funding. I don't know how I will feed my daughter. And I don't know if I'll be able to continue being a college student, even though I know school will help me access better work in the long run. This bill provides stability to vulnerable communities. I know how scary and frankly distracting it can be to be food insecure. Starting by keep-- keeping people fed helps make sure people put their best foot forward when they seek employment. Thank you for your time and consideration. I respectfully urge you to advance LB734 out of the committee.

HANSEN: Thank you. Timed out just about right, too, so that was perfect. You did a great job.

ASHLEY SCOTT: Thank you.

HANSEN: All right. Any questions from the committee? And you don't get any questions. You're let off the hook.

ASHLEY SCOTT: Perfect.

HANSEN: All right. Thank you. All right. We'll take our next testifier in support of LB734. Welcome.

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BRE GRANDSTAFF: I was not expecting the table to be this tall. Good afternoon, members of the HHS committee. My name is Bre Grandstaff, B-r-e G-r-a-n-d-s-t-a-f-f, and I am here to speak on behalf of No More Empty Pots. We are a nonprofit located in north Omaha, and working to target the systemic causes of lack of opportunity and services in the food system. Today, I am here to provide testimony in support of LB734 concerning work requirements for SNAP. No More Empty Pots recently became certified as a SNAP E&T provider, a partner with DHHS to provide workforce training. If a SNAP participant is struggling to find work for any number of reasons, they can enroll in an E&T program like ours to gain skills and training. For vulnerable populations like those we are discussing today, this kind of training can be crucial for success. However, E&T is not accessible to all Nebraskans. I have provided a map from the DHHS website showing the areas in Nebraska that have SNAP E&T programming available. Shown on the map, gaps are clear in Nebraska, in which there is no available programming, and anyone in these areas seeking further training and support to meet work requirements will be forced to either travel or-- to attend training or stop receiving their benefits. We know that 86% of households receiving SNAP benefits in Nebraska have at least one person working in the household. While the E&T program can be helpful to populations now included in the work requirements under SNAP, it does not treat the root cause of the issues that they face in order to improve their quality of life. Unfortunately, simply securing employment will not solve all of these struggles that these groups face. The top 3 populations experiencing homelessness in Nebraska are, in order: those suffering from severe mental health disorders, chronic substance abuse, and victims of domestic violence. Children in the foster care system have higher rates of chronic substance abuse, mental health disorders, and increased risk of suicide compared to children not in the system. Veterans are more likely to suffer from chronic substance abuse, social isolation, and increased risk of suicide. Through our experience as a provider, we have seen firsthand the benefit of providing small class sizes that hyper-focus on participants' unique needs. However, not every organization or partner has the privilege to do so. Increasing work requirements will create more of a burden not only on those receiving benefits, but also on organizations like ours, who are providing trainings for the vulnerable populations who are on the SNAP program. I welcome any questions, and thank you for the opportunity to speak.

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

BRE GRANDSTAFF: Mm-hmm.

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

MELLISA CRAIG: Hello. My name is Mellisa Craig. That's M-e-l-l-i-s-a C-r-a-i-g. I am here today to share my support for LB734. I would like to start off by stating that these at-risk populations already experience so many barriers and struggles that most people do not. I'm a single mother to a 3-year-old son, and I spent about 10 years homeless before I finally ended up incarcerated. During this time, I experienced many of these barriers myself. For example, when I was on probation, I had to ride my bike every day from Waverly to Lincoln to get, to get-- for drug testing. This was my only form of transportation. Despite this, there were no excuses regardless of my circumstances, which ultimately led me to failing and spending more time in jail. I myself am diagnosed ADHD, CPTSD, and I have chronic anxiety and severe depression that makes it extremely hard for me to live normally some days. All the groups this bill would help face similar barriers to me. Many veterans have extreme PTSD and fear of everyday life. I currently have a friend who is in Omaha attending a mental health treatment facility for, for veterans. He continues to battle with his mental health, health and previous addiction issues, as he self-medicated to cope with his trauma from serving our country. I personally received ADC to help care for my son. I know, from personal experience, that the work requirements are extremely strict and unrealistic for an average person, let alone someone who has been through difficult life experiences. It took me 4 times applying for ADC before I was finally able to get a medical exemption and prove my medical, as well as mental health issues. This system is a difficult process to navigate for various reasons. There's little to no direction or help with your job search process when you walk into the Employment First building. The-- OK. No one to ask when you don't understand, understand what's expected or have questions, no suggested, suggested job types for your skills, life, or personality, not to mention it's, it's extremely hard to find an employer who will employ someone who is at-risk or homeless. Homeless people ended up that way for various reasons, but nonetheless, they are looked at different, even lower class than most people and who will employ them.

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The work requirements process for these populations will be impossible, on top of the struggles they already experience in their day-to-day lives. No one grows up envisioning that they will be without a home or basic needs to help keep them from starving that they will now be denied. If the idea is to make America great again, shouldn't feeding veterans and other at-risk populations fit into that statement? Keeping people fed and making sure everyone has equal access to food shouldn't be treated as something that is optional. It is a necessity and necessary for everyone equally. I also want to just bring up that Senator Hunt brought a very good point, that people who are aging out of foster care already, in life, early, have experienced so many difficulties. I believe in my heart that had I had grown up in a different circumstance, had I had a different family or a different upbringing, that maybe my life could be completely different than it was. Granted, I have changed my life. I now have custody of my son, we have a place to live, a roof over our head. I'm no longer struggling with the addiction issues I was, and I've completely changed my life. Prison saved my life, honestly. But-- yeah. I just feel like people who are struggling with all these other things, the process is so difficult, and it was difficult for me. And I just urge you guys to support this bill.

HANSEN: All right.Thank you.

MELLISA CRAIG: Yeah.

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

G. MEYER: Thank you, Vice Vice Chair Hansen. Thank you for being here today.

MELLISA CRAIG: Yeah.

G. MEYER: Sounds like you've had quite a journey.

MELLISA CRAIG: I have.

G. MEYER: And sounds like probably, you had to find the bottom before you started working your way up.

MELLISA CRAIG: Unfortunately.

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G. MEYER: Do you see your, your life getting better every day, every week, every month? Is it a slow climb?

MELLISA CRAIG: It is a very, very slow climb. It's been a long road, about a 15-year process, one that I work at every day with therapists. I have ADHD specialists that I work with every week. I also voluntarily work with CEDARS. I work with Matt Talbot. These are all programs that I voluntar-- voluntarily bring into my life to help me keep on track. I am a single mom and I don't have much free time, and I still am struggling to find employment, being that I'm a convicted felon and I don't have a lot of free time. So I fear a lot of different things for my future, no matter how hard I've worked to change my life.

G. MEYER: Well, I think you're to be commended. Just one last question. Where do you see yourself in 10 years?

MELLISA CRAIG: Hopefully, financially independent. That's my biggest fear right now, with me and my son, is finding a job that will employ me, that I can make enough money to take care of the two of us, especially with prices always rising. Yeah. I hope that I find that job that will work with me. Like I said, I do struggle with mental health issues. I have a lot on my plate. So I-- as long as I can keep that roof over my head and my son fed and happy, that is my goal.

G. MEYER: Well, thank you. Best of luck to you.

MELLISA CRAIG: Thank you.

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

MELLISA CRAIG: Yeah. Thank you.

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

ALICIA CHRISTENSEN: It's hard to drive this chair. Good afternoon, Senator Hardin-- not Senator Hardin. I have it written here. OK. Hansen and members of the HHS Committee.

HANSEN: Don't confuse me with him.

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ALICIA CHRISTENSEN: Edit. I know. I mean, I don't know. I just looked up, [INAUDIBLE] is here. I'm testifying in support of LB734 on behalf of Together. Based on our firsthand frontline experience operating one of Nebraska's largest pantries where participants select the foods that best fit their households dietary needs and preferences and provide a wide spectrum of services to assist our neighbors facing housing insecurity eviction and homelessness Strong communities where everyone has an opportunity to thrive are like, the goal. But if we don't help those among us who need the support to get back on their feet, then we can't achieve that. Government programs like SNAP work in concert with places like Together. Over the last several years, more families have been relying on our pantry services more often. Wages remain the same while the cost of housing energy, health care, and other necessities continues to rise. So, for instance, in 2024, we served an average of 20-- 257 pantry visitors per day. In 2025, that average went up to 293 pantry visitors per day. Keeping up with existing demand has already a strain on the resources and capacity of emergency food providers, and cutting off SNAP benefits for a substantial number of additional households will only make it more challenging to meet the need in our community. We're also concerned about the many Nebraskans experiencing homelessness who will go hungry without the proposed waiver. It's often difficult and sometimes impossible for those individuals to fill work requirements. While many people experiencing homelessness can and do work, it is challenging for most to find and retain employment when they're living in their vehicle, sleeping at an emergency shelter, or experiencing unsheltered homelessness. These individuals don't have an address and are often without a phone, Internet access and essential documentation, like an ID. What's more, many of these people experiencing homelessness have a disability that would exempt them from the new requirements. They just don't have the means to verify it. Circumstances of homelessness make it difficult to prove eligibility, so it can be months, and sometimes over a year, before a person can get an exception. Many lack the funds, connectivity, and ability to navigate the systems to replace an ID or birth certificate, access health care services, apply for SSDI, or obtain VA records. Food security is essential to wellness and stability, and SNAP plays an essential role in helping families achieve long-term, economic stability. And that's why the Nebraska statute actually requires DHHS to apply for this waiver. They are required to apply any and all options available to maximize the number

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of Nebraskans receiving SNAP. LB734 simply reiterates and clarifies DHHS's existing obligation to ensure that Nebraska veterans, people experiencing homelessness, and foster care youth don't go hungry. That's a goal we all share, and therefore I urge the committee to support LB734 to advance the bill to General File. Thank you.

HARDIN: Thank you.

ALICIA CHRISTENSEN: Yeah.

HARDIN: Questions? Seeing none.

ALICIA CHRISTENSEN: Thank you.

HARDIN: Thank you. Proponents, LB734. Welcome.

LEE HEFLEBOWER: Good afternoon. My name is Lee Heflebower, L-e-e H-e-f-l-e-b-o-w-e-r. I represent the Nebraska Coalition to End Sexual and Domestic Violence. The Coalition's network of 20 programs serves all 93 counties in Nebraska and are the primary service providers for domestic and sexual violence survivors, and I'm here to testify in support of LB734. This bill removes a barrier that increases hunger and instability for people who are already facing a crisis, including those experiencing homelessness and youth aging out of foster care. Domestic violence is the leading cause of homelessness for women. When survivors escape abusive relationships, they often face financial instability, a lower household income, higher rates of food insecurity, and difficult accessing affordable housing. Assistance with basic needs, such as the food security provided by SNAP benefits, is an essential resource for survivors and their children. However, when a survivor is experiencing homelessness, they often move from place to place in search of safety and stable housing. Work requirements can be very difficult to meet, due to the instability of their circumstances. This can put providers at risk of being found by the abusive person and further harmed. Additionally, youth exiting foster care are at significant risk for exploitation, assault, and trafficking, in part because they lack resources and support, including those basic needs such as food and housing. Strict requirements and complicated documentation necessary to access food and other basic needs only increases their vulnerability. And while there are some opportunities through TANF for flexibility for

survivors, often survivors are not aware that this is even an option for them, and it also requires them to disclose some very traumatic and personal information to a case manager that they just met. So they're not always able to apply for that or even understand that there may be some-- any sort of flexibility that they might qualify for. And they may have also been threatened by the abusive person that they may be harmed if they disclose this information to anybody. And I do have to say that just there are so many changes to public benefits right now, and SNAP and Medicaid, it's hard for people to keep track of what's going on, particularly for people who are moving from place to place and, and aren't able to get mail on a regular basis. So waiving these requirements would ease those barriers to food security for survivors and for youth who are, who are aging out of foster care. We support this bill and we really encourage the committee to consider moving that forward. Thank you.

HARDIN: Thank you. Questions? Seeing none, thank you.

LEE HEFLEBOWER: Thank you.

HARDIN: Proponents? Welcome.

ALYNN SAMPSON: Thank you. Thank you, Chairperson Hardin and members of the Health and Human Services Committee. My name is Alynn Sampson, spelled A-l-y-n-n S-a-m-p-s-o-n. I currently serve as the executive director of Matt Talbot Kitchen and Outreach and I am here in strong support of LB734. Matt Talbott Kitchen and Outreach is a hunger relief and outreach organization that has served individuals experiencing homelessness and housing instability in Lincoln, Nebraska, for over 30 years. I'm here today to express my support for LB734, which would require Nebraska to submit a waiver to eliminate certain work requirements, particularly for individuals experiencing homelessness. Every day, I work alongside people who are doing everything they can to simply survive. When someone does not know where they will sleep, how they will eat, or how they will stay safe, employment becomes exponentially more difficult. It is hard to prepare for a job interview when you have not slept. It's hard to maintain employment when you have no reliable transportation, no permanent address, no secure place to store your belongings, and no consistent access to showers, clean clothes, or communication. Housing instability creates employment instability, not the other way around. People experiencing

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homelessness spend most of their time navigating survival. They are finding food, locating safe places to sleep, accessing services, protecting their belongings, and managing crisis after crisis. Adding worker volunteer requirements as a condition for basic food assistance does not solve that instability. It compounds it. Many organizations taking volunteers are not equipped to manage the complexity of trauma, mental health needs, physical health limitations, or documentation barriers.. As a result, people experiencing homelessness are often unable to secure volunteer placements, even when they are trying to comply with requirements. This leaves them trapped. They are willing to meet these requirements, but structurally blocked from doing so. When that happens, the burden does not disappear. It shifts. It falls on homeless serving agencies. Our staff at Matt Talbot are forced then to spend time trying to vin-- to find volunteer placements, instead of doing the work that they are equipped to do, which is actually to end homelessness. That work includes housing navigation, recovery support, employment readiness, and long-term case management. This is not an efficient use of public resources. It does not increase employment outcomes. It increases administrative churn, paperwork failures, and benefit loss for people who are already in crisis. Food security is foundational. When people have consistent access to food, they are better positioned to focus on housing, employment, treatment and stability. Removing access to food does not motivate stability. LB 734 reflects a fundamental truth. You cannot build stability on an empty stomach. Submitting this waiver is not about lowering expectations. It's about removing structural barriers that make success impossible. It is about aligning policy with reality, evidence and compassion. It's about allowing homeless serving agencies to focus on helping people exit homelessness. I urge this committee to support LB734 and ensure our policies promote stability, dignity, and pathways out of homelessness. Thank you to Senator Hunt for introducing this legislation, and to this committee for your time.

HARDIN: Thank you. Questions? Seeing none, thank you.

ALYNN SAMPSON: Thank you.

HARDIN: Proponents.

KATIE NUNGESSER: Thank you, Chairperson Hardin and members of the Health and Human Services Committee. I'm Katie Nungesser, K-a-t-i-e

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N-u-n-g-e-s-s-e-r, and I'm representing Voices for Children in Nebraska in support of LB734. True opportunity starts with stability. When we remove food-- access to food, we undermine other support systems that we claim to value. Voices for Children is in support of this bill, as we believe the changes this summer in HR 1 deepen instability and increase food insecurity for young people. And at Voices, we are particularly concerned about those that are under the age of 24 and have aged out of foster care. This bill would open a path to exempting this group again, along with veterans and those experiencing homelessness from harmful work requirements and restore access to SNAP without unnecessary barriers. I have a little data here about, about kids aging out of foster care. It looks like 179 young people aged out in 2025. That means they did not achieve permanency through family reunification, guardianship, or adoption. That rate has actually doubled in the last decade, and it's now at 9.3% of all the kids leaving the foster care system. Young people who age out have had, on average, four times more placements while they were in the system. They are much more likely to have mental health issues and less likely to be connected to family and support systems Young people who age out of foster care face some of the highest barriers to stability of any population in our state They lack permanent family connections financial foundations and supportive adults who can help them navigate to to adulthood Many struggle to access education secure vital documents obtained stable housing and maintain reliable transportation And these are all barriers and finding and keeping employment If SNAP is unavailable to certain young people through these new requirements and intensive reporting systems, the result is not going to end up being employment. It will be hunger and desperation. Food insecurity undermines mental health, housing stability, workforce participation, and long-term outcomes. Taking away access to food is not a pathway to independence for these young people. I want to point out the chart that is in the written testimony that I handed out, it, it shows there is a possibility that the impact will be even more severe for those aging out in rural Nebraska. On the handout, you can see the top 10 counties with the highest number of children who are wards of the state per 1,000 kids, are all rural counties. And these communities, food pantries and resources are limited, public transportation is often non-existent, and services are spread across large geographic distances. Some of these areas are most likely already food deserts and losing SNAP benefits in these areas

does not create opportunity. It's going to deepen isolation. Former foster youth are not asking for special treatment. They're asking for basic stability needed to survive. We urge you to support LB734 and allow Nebraska to pursue the waivers so that foster youth are not pushed deeper into hardship and by policies that do not reflect the realities. Thank you Senator Hunt for your continued work to make SNAP more accessible for vulnerable Raskins into the committee for your time and attention. I'm open to any questions.

HARDIN: Thank you. Questions? Seeing none, thank you. Proponents, LB734.

***MARY ANGUS:** LB958 is one of the most important bills in the legislature this session. I believe that the state should have oversight whenever 1915(c) waivers are applied for, amended, or renewed. In my experience, the applications are difficult to read and understand. Words or phrases are often not used consistently throughout the waiver. Finally, many cut services, service caps, and/or individual cost limits. LB958 would give legislators the opportunity to review waiver documents for approval (or not) before the documents are submitted to the Center for Medicare and Medicaid Services. Thank you for your attention.

HARDIN: Opponents, LB734. Those in the neutral, LB734 Seeing none of those. As Senator Hunt returns, we had 56 proponents online, 13 opponents, zero in the neutral.

HUNT: Thank you, colleagues. To put it clearly and plainly, what this bill does is, in terms of veterans, homeless people, and foster youth, it just puts things back as it was. It puts things the same way it was before what was it, HR-- HB-- HR 1 was passed. This bill received supportive comments from several entities that I want to lift up: the Foster Care Review Board, the Center for Rural Affairs, the Public Health Association of Nebraska, the Food Bank of the Heartland, Food Bank of Lincoln, the League of Women Voters of Nebraska, and Stand for Schools. So I want to also acknowledge the circumstances that this bill got scheduled pretty late in the session and we've already passed the priority deadline, but if this had been before that, this is a bill that I would have been likely to prioritize. Senator Hardin, I don't know if this bill is a nonstarter for you, but if there's any way that this committee would see fit to put it in a package or vote

it out and give it a chance on the floor, I think that that's a discussion worth having for the people impacted, especially given the zero fiscal note. Oh, Senator Riepe, I wanted to address that question that you had. So the fiscal note says that administrative costs would be paid using 75% state General Funds and 25% federal funds. That's relating to administrative cost. And in the fiscal note, it says that the fiscal cost of the administrative costs can be absorbed with current agency resources. Basically, it's what they were already doing before. And so it wouldn't require any changes for the agency to make, and it's things that they already completely understand how to do. I think that it's the new legislation of HB 1 that's causing, you know, a lot of questions for the people impacted, but also for the agency, and also for the employees and workers and staff that have to implement new regulations now. So I'm saying, let's put it back before, like it was. Happy to answer any other questions.

HARDIN: Questions? Seeing none, thank you.

HUNT: Thank you.

HARDIN: This concludes LB734. We'll wait for the room to move around a bit.

GUERECA: Shuffle about, yeah.

HARDIN: LB1200 is next.

RIEPE: Are you always the cleanup batter?

GUERECA: Oh, yeah.

HARDIN: I believe we are ready.

GUERECA: Excellent. Good evening, Chairman Hardin, members of the Health and Human Services Committee. My name is Senator Dunixi Guereca, D-u-n-i-x-i G-u-e-r-e-c-a. I represent Legislative District 7, which includes the communities of downtown and south Omaha. I'm here introducing LB1200. What LB1200 does is ask that our livestock industrial integrators prepare and submit an annual disaster mitigation plan to the Nebraska Department of Health and Human Services. An industrial integrator defined in the bill is a large corporation that owns and manages an entire livestock supply chain, or

animals including poultry, hogs, dairy, and feeder cattle, and who control entire production processes, involving inputs, including but not limited to feed, veterinary care, antibiotics, vaccines, and genetics, and who also contract with growers who provide land, barns, and labor, effectively managing the supply chain, from farm to market. My disaster mitigation planning approach addresses worker, community, and supply chain. This is how-- this includes how personal protective equipment will be acquired, stored, and distributed to workers, contractors, and responders who may be exposed during an outbreak or other disaster event. The bill requires indicators to describe procedures to prevent and control disease spread. This includes protocols to limit unprotected contact with infected animals or contaminated materials, steps to isolate infected animals, and measures to avoid contamination of local water supplies and surrounding communities. This all matters because Nebraska has experienced repeated livestock disease outbreaks and natural disasters that strain rural health systems and emergency responders. Large integrators play a central role in these events, yet current law does not require proactive disaster planning or coordination with public health authorities. The purpose of LB1200 is to improve preparedness by ensuring clear lines of communications before a disaster occurs, not after. My simple and commonsense approach protects workers, neighboring communities, and first responders while supporting faster and more coordinated responses that reduce long-term economic and public health impacts. Examples of disasters that I am concerned with include the avian flu and other zoonotic diseases, bug infect-- infestations or parasites, such as the New World screwworm, and extreme weather events, including flooding and tornadoes. LB1200 is about basic responsibility and planning. It does not prohibit lifestyle production but rather, ensures that industry is prepared to respond to disasters in a way that protects people, animals, rural communities, and our vital supply chain. And with that, I'll take any questions. I know there's some folks coming behind me with a little more information, but yeah. I'll take any questions.

HARDIN: Questions? Senator Riepe.

RIEPE: Thank you, Chairman. Do we currently have a plan?

GUERECA: So this is asking the individual-- the, the large-scale growers to provide that plan to the department, just to ensure that

they've thought through how that coordination occurs with the local authorities.

RIEPE: Can, can we learn something from a large corporation like Costco and their chicken operation?

GUERECA: Well, I think that's, that's the idea, is that everyone, you know, I'm sure, I, I believe it's Lincoln Premium Poultry, talks about the plans that they have. So I think taking something that works, because a lot of times it's not about the people, people that do it right. It's about folks that need that extra push. I don't want to call them bad actors, but not everyone's up to a level. But I think we, as a state, can say, hey, you want to be, you want to be here and you're doing business, that's great. We have a great economy and we have great workers, and we're a great, you know, market, but let's talk about how we can prevent these diseases that are here. Right. They had to kill-- they had to cull several tens of thousands of chickens, right before the new year, with an outbreak of avian flu. These are real things that are coming. So taking the time to make sure that the industry is ready, that they, again, talk through that line of communication with the local health authorities to get ahead of a crisis, I think, is, is a worthwhile conversation to have.

RIEPE: When I first saw that, I thought you wanted to bring back the Omaha-- south Omaha stockyards.

GUERECA: Oh, hell, I'll always open-- be open to that conversation.

RIEPE: OK.

HARDIN: Senator Fredrickson.

FREDRICKSON: Thank you, Chair Hardin. Thank you, Senator Guereca, for being here. I see the director is here. I'm assuming he will be testifying, so if this is a more appropriate question elsewhere, let me know. But so, I, I just am kind of curious, a couple things. One is how does this interact with, you know, kind of like CDC, federal sort of guidance or Department of Agriculture on the federal level. And that's part A. But part B, the other question I had, was how does this relate to like-- do other agricultural states do this? In other words, is this sort of something that we, we would be one of the first states

to do this, is this pretty common and we're kind of catching up? Can you maybe educate the committee a bit on--

GUERECA: That's a good question. I'll have to get, I'll have to get back to you with the answer of what other states are doing, and-- but, you know, to, to me, it's common sense. Right. We know these, these, these threats are coming, right.

FREDRICKSON: Right, right.

GUERECA: So ensuring that instead of a patchwork of, you know, they're doing this over here-- and there might be folks that are doing it right. And they might have a great plan, but maybe they're not communicating with the local health folks and local disaster response teams, you know, making sure that, you know, should something were to happen, they know what the procedures are. Right? You know, when entering a facility, what, what that looks like, where the PP is located, how we make sure our first responders are protected, right? How we can make sure we, we protect the water supply chain, you know, how we prevent outbreaks from further getting into the supply chain. Agriculture is the state's largest economy, and you know, these, these threats are real. And I know we had great discussions with the department, and I know they're doing great work, so it-- really, for me, it's about seeing these threats down the pipeline, seeing how we, as a state, can be better prepared. Yeah.

FREDRICKSON: OK. Thank you.

HARDIN: Senator Quick.

QUICK: Yeah. Thank you, Chairman. So-- and maybe this will be a question for the director, too. But recently, we just had another spill from JBS into the Wood River from, you know, their wastewater. And so, would this address some of that, too? I mean, would that be part of the-- I mean, because it really contaminates our groundwater. They've had spills before that, larger spills that actually created fishkills in some of the lakes and--

GUERECA: I don't know if, if those events would quite rise to the-- a disaster mitigation. But certainly, you know, conversation-- ask the director. If they can get an answer for you, I'll certainly follow up.

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QUICK: All right. Thank you.

HARDIN: Other questions? Will you stick around?

GUERECA: I will. And then I have letters. It was a-- they tried to get it in before the deadline and they couldn't. That's the group that represents local Nebraska workers.

HARDIN: OK. Very well. Proponents, LB1200. Mr. McDonald.

EDISON McDONALD: Hello.

HARDIN: Hello.

EDISON McDONALD: My name is Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d. I'm here today on behalf of GC Resolve, an organization committed to protecting family farmers in strong, rural communities across Nebraska, in support of LB1200. LB1200 requires large industrial livestock integrators to prepare and submit an annual disaster mitigation plan to the Nebraska Department of Health and Human Services. The bill focuses on preparedness, communication, and public health protection in the event of an infectious disease outbreak, natural disaster, or other major disruptions affecting livestock operations. LB 1200 is about preparedness and responsibility. It ensures that when a crisis hits rural Nebraska, we are not scrambling to figure out who is in charge. We don't have to speculate about these risks. We're living them. According to the U.S. Department of Agriculture Animal and Plant Health Inspection Service, more than 90 million birds have been affected by the avian influenza in the United States since 2022. The Centers for Disease Control and Prevention has confirmed human cases associated with dairy and poultry operations in 2024 and 2025. And has issued guidance emphasizing the need for personal protective equipment and coordinated public health response in agricultural settings. Here in Nebraska, the Nebraska Examiner recently reported confirmation of bird flu in Butler County, prompting heightened biosecurity measures and public health caution. Similarly, KHQA reported confirmed bird flu detections in flocks in southwest Iowa, triggering containment measures and renewed warnings to producers. These cross-country and cross-state outbreaks demonstrate how integrated livestock systems operate across regional lines and require coordinated communication. In addition, now we have

the USDA and the World Organization for Animal Health have also issued alerts regarding the New World screwworm, and warned that reintroduction into the United States would have severe economic and animal health consequences requiring rapid containment. So why are we focused on these types of facilities? Because these are where we see some of the largest and quickest infections. In particular, in 2020, we saw 16,233 infectious disease cases arising from these types of operations, and 86 deaths amongst workers in these types of operations. This bill requires those integrators to submit an annual disaster mitigation plan to the Nebraska Department of Health and Human Services, requires clear coordination protocols, and is designed to help ensure that we can protect the lives of all Nebraskans. LB1200 clearly creates these lines of communication before the next crisis arrives and best of all, has no fiscal note. I hope that you'll consider supporting this legislation. Thank you for your time.

HARDIN: Thank you. Questions? Senator Meyer.

G. MEYER: Thank you, Chair Hardin. Good to see you, Mr. McDonald. Would we be better served, say bird flu gets into a flock of, of grower or laying hens in, in northeast Nebraska. Would we be better served to dispose of the dead ones and then the ones that survive, wouldn't they have a natural immunity and shouldn't we try to incorporate that natural immunity into our ongoing herd-- or flock?

EDISON McDONALD: Yeah. Good question. I'm not an immunologist, so I don't feel like I'm qualified to answer that. What I can tell you is that when we really see these significant outbreaks-- and we did have a similar bill in the past that had a national expert come and testify, and talk about how really, what he's seen in the research, is that it's these large production facilities, where you're really seeing kind of the percolating of these large-scale infections. So that's why we focused on that, versus, you know, kind of small family blocks.

G. MEYER: Well, we've got some that are-- millions of birds in northeast Nebraska, so-- and, and that's where we've had some issues. Have we had any outbreaks that we haven't been able to contain, in the United States or Nebraska?

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EDISON McDONALD: I mean, you know, obviously, we had that, that Burt County story that I mentioned, and then the southwest Iowa one. These are small, but they're growing. And so, you know, in terms of large infectious events, we've had other types, but this is really trying to look forward and saying, you know how can we help to establish some of these protections for whatever comes next, which, you know, is that screwworm? I've heard rumors of measles in south Omaha. You know, so whatever that may be, that's what this is here to design to protect those workers for.

G. MEYER: The contamination of waterways generally falls under the purview certainly, I believe of, in Senator Quick's case, under the DEQ. I would imagine they would have something to weigh in on that. So anyway, thank you.

EDISON McDONALD: Yeah.

HARDIN: Other questions? Senator Riepe.

RIEPE: Thank you, Chairman. Thank you for being here. Is this a spinoff or a result of-- I know that Mexican cattle have had a serious worm problem and I know they're quarantined, or I believe they are, from this country.

EDISON McDONALD: Yeah.

RIEPE: Is this the reaction to that, to try to stop that from, from infecting our cattle?

EDISON McDONALD: It was much more of a reaction to the infections of bird flu. But as we've seen the New World screwworm really start to expand, that has been a growing consideration.

RIEPE: OK. OK. Thank you, Chairman.

HARDIN: Other questions? Seeing none, thank you. Proponents, LB1200. Opponents, LB1200. Those in the neutral. Welcome.

SHERRY VINTON: Thank you. Good afternoon, Senator Hardin, Vice Chair Fredrickson, and members of the committee. My name is Sherry Vinton, S-h-e-r-r-y V-i-n-t-o-n, and I am director of the Nebraska Department of Agriculture. Thank you, Senator Guereca and the committee, for

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allowing me to testify on LB1200 today. The goal of my neutral testimony today is to make the committee aware of the role our department plays in the prevention of and planning for animal diseases, which include zoonotic diseases, as described in LB1200. The Animal Health and Disease Control Act provides that the Nebraska Department of Agriculture is the state agency responsible for animal health and disease outbreaks. NDA's authority includes requiring testing, treatment, issuing quarantines on, or ordering the depopulation of animals who are affected by dangerous disease. A dangerous disease is defined as an infectious, contagious, or otherwise transmissible disease, infestation, or exposure, which has the potential for rapid spread, serious economic impact, or a serious threat to livestock health, and is of major importance in the trade of livestock and livestock products. NDA works in coordinations with the United States Department of Agriculture, which sets a national program of disease standards and implements indemnity programs related to livestock disease outbreaks. Livestock producers, along with veterinarians, are required to report a variety of livestock diseases to the veterinary team at NDA. When such symptoms are reported, NDA ensures that samples are submitted to an approved laboratory for testing. Laboratories are also required to report disease detections to the NDA veterinary team. If a zoonotic disease is confirmed at an approved lab, NDA informs the Nebraska Department of Health and Human Services Chief Medical Officer Dr. Tim Tesmer, DHHS State Epidemiologist Dr. Sydney Stein, and State Public Health Veterinarian and CDC Career epidemial-- Epidemiology Field Officer Dr. Brian Buss. DHHS then provides this information to local public health departments. The NDA State Veterinarian and animal health staff prepare for dangerous disease responses and have completed response plans for numerous disease outbreak scenarios, including but not limited to: foot and mouth disease, African swine fever, and highly, highly pathogenic avian influenza. NDA has hosted an incident command training with 17 states attending, I might add, met with packing plants to discuss emergency preparedness, and hosted and participated in foreign animal disease exercises, especially focusing on vaccinations and practical, real-world responses to livestock disease emergencies. The department has conducted a total of 215 foreign animal disease investigations since January 1 of 2022, and 36 emergency preparedness exercises since 2023, with more exercises planned this year. NDA staff also assists with disease response plans

created by producers, which are referred to as Secure Food Supply Plans. The list of established plans includes: beef, milk, pork, egg, broiler, turkey, sheep, and wool. NDA would be concerned if the animal disease plans established by this bill would interfere or impede our work, and for that reason, we wanted the committee to be aware of our statutory responsibilities related to animal disease outbreaks. Once again, I'd like to thank Senator Guereca for his concerns about this issue, and the committee members for hearing our testimony today. I'm happy to try and answer any questions you may have, or get you answers.

HARDIN: Thank you. Senator Fredrickson.

FREDRICKSON: Thank you, Chair Hardin. Thank you, Director, for being here and for your testimony. So a couple questions I asked Senator Guereca earlier. I don't know if you are the appropriate person to ask or not, but how does this relate to, kind of, federal guidelines/policy, and do other states have similar legislation in place?

SHERRY VINTON: I have no idea if other states have similar legislation--

FREDRICKSON: OK.

SHERRY VINTON: --as Senator Guereca is proposing. But if you'll look on the third page of what I handed out, this is just an example of two plans that start at the federal level. It's very tiered. There, there are federal emergency replans-- plans through our federal U.S. Veterinary Officer. Dr. Huddleston is currently that officer right now. One of the plans that's referenced here is the Red Book-- that's what they're called-- and this is for high path avian influenza. It's an over 200-page detailed plan that starts at the federal level, with responses. We work with an Area Vet in Charge that Nebraska shares with Kansas, Dr. Melissa Lang. So there's a detailed plan, like this Red Book plan, for each of those diseases. Now, when we're talking about a parasitic infestation, such as New World screwworm, that goes in the Green Book. And so that plan is referenced here, too, if you'd like any of the other plans, African swine fever, tuberculosis, whatever you-- brucellosis, whatever you're interested in, we can get you those links, as well. And then we go to our own state plans that

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we have, which we have exercised, and coordination with local emergency managers, as well.

FREDRICKSON: Understood. Thank you.

SHERRY VINTON: Mm-hmm.

HARDIN: Senator Riepe.

RIEPE: Thank you, Chairman. Thank you for being here. Good to see you again. My question is this: under the industrial integrator, let's see-- at least the definition I have here, it says large corporation that owns, manages an entire supply chain, including poultry, hogs, dairy, and feeder cattle. I don't think we have any in Nebraska that's that integrated, do we?

SHERRY VINTON: Well, actually, there may be several that could meet, meet that definition. It depends on--

RIEPE: OK.

SHERRY VINTON: --on the, the definition [INAUDIBLE] when it says contracting with producers--

RIEPE: Oh, OK.

SHERRY VINTON: I would say that our new sustainable beef plant, for example, involves--

RIEPE: So they don't have to own it and control it, they can just have an agreement.

SHERRY VINTON: It depends on how you read the bill.

RIEPE: OK.

SHERRY VINTON: So there's a variety of ways that that could impact it.

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

HARDIN: Senator Hansen.

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HANSEN: Thank you. OK. So in essence, you like the bill, but it sounds like, from your testimony, it just maybe, is a little redundant?

SHERRY VINTON: Correct.

OK. Because you're already pretty much doing a lot of this already.

SHERRY VINTON: We work very closely with DHHS and Dr. Bryan Buss with CDC, on the federal level, as a veterinarian and a chief medical officer. And these, these plans, we have been working on for years, and there's been a special focus on disease preparedness and response since I've been Director of Agriculture, for the last 3 years. As I said, over 36 unique exercises.

HANSEN: Did we do something for the swine flu?

SHERRY VINTON: Yes.

HANSEN: OK. That's what I thought. OK.

SHERRY VINTON: Yeah.

HANSEN: And that was a big thing, so. All right. Thanks.

SHERRY VINTON: Mm-hmm.

FREDRICKSON: Senator Quick.

QUICK: Yeah. Thank you, Chairman. And you heard my question to Senator Guereca. But I-- I'm guessing the packing plants are included in like the state plan, but not probably for spills from the wastewater into the--

SHERRY VINTON: Correct. As you surmised, wastewater would fall under the Department of Water, Environment, and Energy, with Director Bradley. But we are housed in the same building out at Fallbrook, and whenever any type of an event happens, we are coordinated very closely as agencies and tend to work together, whether there's going to be an impact to agriculture upstream or downstream.

QUICK: OK. All right. All right. Thank you.

SHERRY VINTON: Mm-hmm.

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HARDIN: Other questions? Seeing none, thank you.

SHERRY VINTON: Thank you.

HARDIN: Anyone else in the neutral capacity, LB1200? Seeing none of those, while Senator Guereca is coming back, we had 11 proponents, 1 opponent, 3 in the neutral online. Welcome back.

GUERECA: All right. I certainly appreciate the testifiers and the Director for taking the time to come down. And I do-- because I appreciate the good work her department does and making sure that this critical industry to our state is being taken care of. I think, for me, that's sort of the, the onus of this bill, is putting a little more-- asking the individual facilities to be a little more reflective and think through how, how they're going to integrate with their local health authorities. And that-- that's, that's critically important, because, you know, having, having the standard playbook is always great, but when it happens, when a disaster strikes, it happens quick. So ensuring that each individual facility has stopped it with their action plan, how they're going to react to the individual crises and events is, I think, important. And yeah, we get it. Had a great conversation with the department. We're going to set up some conversations with our veterinary teams. We're going to see how that goes through and see if we can't keep working towards a solution that works best for the great state of Nebraska.

HARDIN: Very well. Senator Riepe.

RIEPE: I'm just curious, did you have someone that asked you to bring this bill?

GUERECA: Yeah. Yeah.

RIEPE: Who was that?

GUERECA: Mr. [INAUDIBLE] back there.

RIEPE: Oh, OK.

GUERECA: And so, this spun off from-- at a, a larger safety bill last session and, you know, sort of looking at the fiscal environment. And, you know, we, we started to see, in the interim, a couple more

*Indicates written testimony submitted prior to the public hearing in accordance with the Legislature's guidelines on ADA testimony

instances of the avian flu. And that sort of was the impetus to sort of-- well, just kind of narrow it down to just thinking about through disaster mitigation at the, at the individual facility level. It seemed like a good, good place to kick off the conversation. And then, with the news of the screwworm, the way it was described to me by folks in the industry was: it's not an if the screwworm gets to the state, it's a when. So it's going to be on, be on the lookout for.

HARDIN: Other questions? Seeing none, thank you.

GUERECA: Thank you, thank you, gentlemen.

HARDIN: This concludes LB1200, and our hearings for the day. We will be execing.