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Appropriations Committee  
March 14, 2011

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[AGENCY 25]

SENATOR HEIDEMANN: With that, we will close the public hearing on LB464 and open up the public hearing on Agency 25, the Department of Health and Human Services. I do want to state at this time, as we're letting the room clear a little bit, that under Agency 25 we are going to take up first operations, then the Division of Children and Family Services. After that we will take up Division of Public Health, and after that we will take up Division of Veterans' Homes. So if you want to testify under Agency 25, it would be good to testify under the division that is most appropriate to your testimony. With that, we will open up Agency...the public hearing on Agency 25 with operations. Welcome.  
[LB464]

KERRY WINTERER: (Exhibit 12) Good afternoon. I guess I've cleared out the room. (Laughter) Good afternoon, Senator Heidemann and members of the Appropriations Committee. For the record, I am Kerry Winterer, that's K-e-r-r-y, last name is W-i-n-t-e-r-e-r. I'm chief executive officer for the Department of Health and Human Services. I'm joined today by Matt Clough, who is our chief operating officer for the department, and three division directors: Dr. Joann Schaefer, who is director of the Division of Public Health and the state's Chief Medical Officer; Todd Reckling, director of the Division of Children and Family Services; and John Hilgert, director of the Division of Veterans' Homes. Before we begin, we wish to thank you and your staff for your work on behalf of the department and especially on priority areas for us. We also thank you for including many of our requests in your preliminary recommendations. We will not address those requests unless you have additional questions for us. The budget proposed by Governor Heineman is intended to continue our initiatives to improve services for the most vulnerable Nebraskans. The recommendations reflect the realities of the current economic situation and enable us to implement operational efficiencies throughout the department, to redirect resources where necessary, and to adjust to changes in federal funding. As I said, I'm going to focus on the differences between the committee's preliminary budget and the Governor's budget and then the individual

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

directors do not plan on testifying but certainly will respond to questions as you may have questions on each of those divisions. Starting with administration, the Governor has recommended a reduction of \$2,271,775 in General Funds and a like amount in federal funds for fiscal 2012 and 2013 to reflect savings from the elimination of the case management function within the department as the state continues to implement Families Matter, our public-private partnership to reform child welfare and juvenile services. General Funds saved through this reduction would go to the public assistance program. The committee did not include this in their preliminary budget. We urge the committee to adopt the Governor's recommendation and move the funds to public assistance, which will place all funding for Families Matter in one program. Number two, the Governor has recommended reductions of \$158,634 in General Funds, \$12,760 in cash funds, and \$173,463 in federal funds in fiscal year 2012, along with reductions of \$359,134 General Funds, \$29,000 cash funds, \$393,000 in federal funds in fiscal 2013, to reflect savings associated with the implementation of Enterprise Contact Management, ECM. The committee's recommendation can be revised to reflect the savings we are achieving as a result of this innovation. Medical Student Loans: Governor's recommendation includes an agency modification to reduce \$63,709 in General Funds in fiscal '12 and '13 from the Medical Student Loan Program. Including this program in agency identified modifications is consistent with the policy to accomplish broader participation in meeting the current fiscal challenge. The committee preliminary recommendation does not include this reduction. Public Health Aid: The Governor has recommended a \$193,369 General Fund reduction in the Public Health Program for 2012 and 2013. The committee has recommended that the General Fund reduction be only \$100,000 in those years. Public Health Aid Program was not required to make any reductions in either the 2009 Special Session or the 2010 regular session. This reduction would be consistent with the department's intent to accomplish broader participation in meeting the current fiscal challenge. Tobacco Prevention and Control: Governor has recommended a \$349,700 cash fund reduction for the Tobacco Prevention and Control Program in '12 and '13. The committee has increased this reduction to \$485,700. The department certainly recognizes this is an effort on the part

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

of the committee to balance the budget. Public Assistance: The Governor's recommendation also included a 5 percent reduction in General Funds for contracted Employment First services. The committee has recommended a 10 percent reduction in General Funds for those services. Contractors can work on their budgets and identify areas where they can save money and still serve the clients, but we would ask the committee to focus on a 5 percent reduction. We are concerned that a reduction beyond that level may result in contractor reductions in staff or office locations that would adversely impact clients and also the department's work participation rate, which in turn potentially threatens continued receipt of federal funds. Juvenile Services: It appears the committee's preliminary budget includes a duplicate reduction of \$98,744 in General Funds for Program 250. The department asks that the committee review this issue and proceed as the committee determines appropriate. Personal Services Limitations: The committee's preliminary recommendations have provided a higher level of PSL than the Governor's recommendations. This difference is over \$21.4 million PSL. PSL levels have not been reduced to reflect appropriation levels in recent budget reductions, and appropriation levels for the next biennium cannot support this level of PSL. Department supports the Governor's lower PSL recommendations. And finally, Contracts: Currently, the department is party to over 1,100 service contracts totalling over \$1 billion and over 700 commodity contracts totaling over \$64 million. There are, for example, over 250 service contracts for training, totalling something like \$27 million. Recent negotiations have resulted in the reduction of over \$500,000 for next year's contracts. The department will continue to review all service and commodity contracts for need and will renegotiate others to main services at a lower cost. We appreciate the opportunity to discuss our budget request with you. We will be happy to answer any questions you have. And as I said, the division directors don't have prepared testimony but certainly would respond to questions that relate to each of their divisions. [AGENCY 25]

SENATOR HEIDEMANN: Thank you, Kerry, for coming before the committee today. Are there any questions? Senator Nordquist. [AGENCY 25]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

SENATOR NORDQUIST: Thank you, Mr. Chairman. Thank you, Director Winterer. I guess first off, as we look at cuts to administration, certainly in Director Reckling's area, I have concerns about our timeliness of making approvals and of payments and applications in Medicaid and a number of areas. In the previous bill we heard, we heard that over the past few years it's taking longer to process payments to providers of the childcare subsidy. Last year, in late 2010, I had the Legislative Research Office pull some information on Medicaid applications and federal regulations say we need to approve those within a 45-day window. Essentially, that's what the federal regulations are. This is over the last year and a half, and we've gone from roughly 300 to 500 applications a month over that 45-day window to now in the 700 to 800 range of applications a month over that 45-day window. So I guess my question would be, looking at the cuts that were proposed in this budget to the administration of that division, what kind of impact will that have and are you confident that this length of time to approve these will not increase? [AGENCY 25]

KERRY WINTERER: Well, I think that's a good question, and I think that we wouldn't be proposing these cuts and proposing making these kinds of changes without looking at performance and looking at how we're providing those services. I'm not specifically familiar with those question...or those time frames. You're talking about economic systems applications, or you're talking about Medicaid applications, or you're talking about both? [AGENCY 25]

SENATOR NORDQUIST: Well, I guess first was just commenting on what we heard at the previous hearing, and I don't know if you were in the room for all of it, but she mentioned that over the last couple years the length of time has been longer for payment on the childcare subsidy to providers. And then I have data from...that Legislative Research got from DHHS regarding Medicaid applications and how long it's taking to approve those, and it seems like we have a growing number going past the 45-day approval period. So I guess certainly I think we need to look at addressing this issue but also make sure that we're not making changes that will make it worse.

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

[AGENCY 25]

KERRY WINTERER: Yes. [AGENCY 25]

SENATOR NORDQUIST: And then I guess one more: You commented about the medical student loan piece and I guess we had a lot of discussion in committee about that. And my concern is, if the Affordable Care Act is upheld and is going forward, I think we need to take a serious look at what we're doing to ensuring we have the appropriate work force, especially in rural Nebraska, to meet those needs, and that now is kind of my argument for maintaining the funding levels. I guess...I know you cited budget concerns for your support of removing this funding right now, but what has the department done or has the department taken steps to study and to look at the broad need for that primary care work force, largely, if healthcare reform is implemented?  
[AGENCY 25]

KERRY WINTERER: I can refer that to Dr. Schaefer. I'm sure she's... [AGENCY 25]

SENATOR HEIDEMANN: As you come to the mike, could you just identify yourself and spell your name, please. [AGENCY 25]

JOANN SCHAEFER: You bet. My name is Joann Schaefer, S-c-h-a-e-f-e-r, MD. I'm the state's Chief Medical Officer. The state has worked collaboratively with the Rural Health Commission and the University of Nebraska on several initiatives to study and there's a lot of data that we can follow up with you on the need. I just guess I'd like to make the point on rural health in general. What the studies show is that the most significant factor for getting people to practice and stay in a rural town is to get folks, that want to stay and practice in a rural town, to train and then go back. And, you know, I think a lot of kids, when they come out and they start along their training process, be it P.A., P.T., O.T., physician, nurse, nurse practitioner, they have a lot of good intent and they think they want to go back to their hometown or rural town just like they're in, and they

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

come...they go to where they go training and they get that exposure to other specialties or other opportunities. And then they may not have that training access here in Nebraska so then they go to a coast or to another city and they get exposures. They meet a spouse and so then they deal with that other family dynamic, too, where that spouse may have come from somewhere else. And so frequently what looked really good in the beginning doesn't turn out so great in the end when it's six, eight years later, and even if a community has invested in someone. And no harm, no foul, life happens to people, so...but, still, that remains the best is when you get a local community to invest in someone and you hope that they want to come back, someone who's familiar from the community. But currently right now, our most successful attempt to get people back into or into rural communities has been our J-1 Visa Waiver Programs. And the rural communities have done an extensive job in making sure that they find the right fit for the physician, particularly to come back to the community, and who's really willing to invest in the community and that's a right fit. But I think that it's a difficult decision whether or not to fund that program and it just falls in line of the budgetary obligations that you have, medical student loans or the numerous other things that we've heard today. But there's a local match that goes into that and communities are investing in it. [AGENCY 25]

SENATOR NORDQUIST: Uh-huh. So would there be a more effective use of the dollars that we are putting towards medical student loans to attract or to build the work force in rural Nebraska? [AGENCY 25]

JOANN SCHAEFER: To...I didn't hear the last part of it. [AGENCY 25]

SENATOR NORDQUIST: I mean the funding that's there now in the Medical Student Loan Program, would there be a better use of that money than to do that kind of student loan program? Do you think there's better programs to invest it in? [AGENCY 25]

JOANN SCHAEFER: Well, I think that we have to really look at the success of the

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

program and evaluate it based on that, and I know it has been successful but, you know, when you are faced with tough budgetary decisions, you know, we have to...we have to look at, you know, whether or not that, you know, that falls out in the line of priorities. [AGENCY 25]

SENATOR NORDQUIST: Okay. Thank you. [AGENCY 25]

JOANN SCHAEFER: Thanks. [AGENCY 25]

SENATOR HEIDEMANN: Did anybody have a question for Dr. Schaefer? Okay. Thank you. Senator Mello. [AGENCY 25]

SENATOR MELLO: Thank you, Chairman Heidemann, and I think a few of them will be directed to Director Winterer and then probably Director Reckling. Under Program 33, Director Winterer, there's two components that I wanted you to possibly elaborate a little bit on. One of the budget items that you had requested and we provided some funding for was in Medicaid information and technology projects. [AGENCY 25]

KERRY WINTERER: Uh-huh. [AGENCY 25]

SENATOR MELLO: It's my understanding and it was something that we learned over the LR468 process regarding healthcare reform implementation over the summer, is that the department still has over \$40-plus million in federal funds for the MMIS program, in part due to...this is an issue I know we raised last year, I think, in regard to some of the contracting problems that the department had and how the department was going to still be able to utilize some products, so to speak, of that contract that the department terminated. My question is, why are we providing more additional funding for the MMIS system when you haven't spent the \$40-plus million you currently have on it? [AGENCY 25]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

KERRY WINTERER: Well, There's some more detail we can provide to you in testimony tomorrow as far as Medicaid goes, but there's a whole variety of projects that are part of that, more than just the MMIS project, and each of those has its own need for funding that is different than the MMIS project. [AGENCY 25]

SENATOR MELLO: Okay. Is that at all...any of these projects at all related to the implementation of the Affordable Care Act? [AGENCY 25]

KERRY WINTERER: There is a separate request for dollars for the Affordable Care Act. [AGENCY 25]

SENATOR MELLO: That was my next question, is what that \$3 million in General Funds that we're providing and the, give or take, the \$9 million in federal funds that you'd be authorized, what does that...what are you intending to spend that money on? [AGENCY 25]

KERRY WINTERER: Again, there is a listing I think that we did provide to the committee earlier and we can certainly provide it to you tomorrow when we talk specifically about Medicaid. It has a listing of several projects that are part of...that are part of what we're doing for ACA. [AGENCY 25]

SENATOR MELLO: Okay. I can ask that. We can chat more tomorrow (inaudible) with Director Chaumont. An issue that came to our attention when we were going through the preliminary process is an increase under Program 250, Office of Juvenile Services. And if you're not the appropriate person, I think this might be directed probably better to Director Reckling. As we appropriated \$5 million each of the next fiscal years for the increase in detention costs for the Office of Juvenile Services, in theory, and it was always our...and we had a lengthy, I think, discussion internally about where those kind of offset or if there was...it was related to us--and please, if the Fiscal Office can help walk me through this a little bit--that there was an offset, to so speak, in public

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

assistance; that we were taking that funding away from public assistance and putting it into the Office of Juvenile Services. Is that correct? [AGENCY 25]

KERRY WINTERER: I think Todd can actually respond to that better than I. [AGENCY 25]

SENATOR MELLO: Okay. [AGENCY 25]

\_\_\_\_\_: Hi, Todd. [AGENCY 25]

TODD RECKLING: Thank you. My name is Todd Reckling, R-e-c-k-l-i-n-g. Senator Mello, over the years, as OJS came into the child welfare system as the agencies merged way back in 1997 or so, we were serving at that time the child welfare children and then also, under the merger, then also assumed responsibility for the Office of Juvenile Services. So we picked up both the Youth Rehabilitation and Treatment Centers at Kearney and Geneva, as well as the ongoing kids that were on...and through the Office of Juvenile Services that may not have been served in the facilities. And so over the years, as that program has come in to light under one roof, under Department of Health and Human Services, one of the things when it originally came to us, we had approximately nine parole officers across the state and basically the service delivery for those children or young men or ladies was supervision of those kids and very little service delivery. But as we rolled it into one agency, we then were able to offer those type of programs and services to all of our kids, regardless of the type of adjudication in particular. So over the years, my understanding is that there has been, because some of the kids are actually dual adjudicated--they may be both child welfare and juvenile services--we have been able to use some of the funding under our 347, because of like the dual adjudicated kids or otherwise, to help make sure that we are providing the services that we need between the two budgets. We have always been able and mandated to separate out our Office of Juvenile Services' budget and, quite frankly, I think as we move forward and look into the future, I think it would be a good discussion

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

to have about whether or not we should have the ability to put those funds together since a lot of those kids, again, some of them are dual adjudicated, certainly some aren't, but those kids are getting the same type of services between the...regardless of their adjudication. [AGENCY 25]

SENATOR MELLO: I guess my question is, is the increase in detention costs, is that a new...essentially, is that new funding that you're requesting or was that simply money you were transferring or expecting us to transfer from public assistance to the Office of Juvenile Services? [AGENCY 25]

TODD RECKLING: It's actually additional funding that we're requesting, so it's a little bit...the bulk of it is detention but we also provide other services for OJS in addition to detention. So it is additional funding to help us move forward. [AGENCY 25]

SENATOR MELLO: So what...I guess my question is you were funding this previously out of public assistance, correct, for the most part, those services? [AGENCY 25]

TODD RECKLING: No. [AGENCY 25]

SENATOR MELLO: The increased funding for increased services, you were funding that out of 347 or no? [AGENCY 25]

TODD RECKLING: Again, detention in particular is paid out of the 250. Other type of community-based services has been, when appropriate, taken out of 347. So when it's a service type that we believe that was appropriate for that type of service expenditure, it came out of the 347 budget; if it wasn't, in 250. But detention has been paid out of 250 for the most part. [AGENCY 25]

SENATOR MELLO: Okay. [AGENCY 25]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

TODD RECKLING: We periodically have a status offender that may be in detention facility. There's a new JAIBG require...or, excuse me, OJJDP requirement that by 2013 the state of Nebraska can't have juvenile offenders in detention. So that will be...add some clarity to that particular issue. [AGENCY 25]

SENATOR MELLO: Okay. [AGENCY 25]

SENATOR HEIDEMANN: Are there any other questions? Senator Nordquist. [AGENCY 25]

SENATOR NORDQUIST: Thank you, Chairman Heidemann. Thank you, Director Reckling. I know we've had some conversations in the past but I guess I want to address the oversight of the lead agencies now as we transition to a new system where we will be in more of an oversight accountable, you know, ensuring accountability role as opposed to direct case management. Can you kind of highlight the key provisions in that agreement with the lead agencies of how we're going to ensure that we have appropriate oversight and accountability in the system? [AGENCY 25]

TODD RECKLING: Yeah, I think one of the starting points is, for accountability for the whole system, is just in quality of service delivery and training. It's a part of it. I know you asked me the other day related to some of the training for their staff and our staff. I just want to make clear that there seems to be some misunderstanding of kind of what I have transferred to the private sector, so I'd like to maybe start off just briefly and clarify that. The department state staff will continue to do the intake process. So we get a report of abuse or neglect, our staff will be making those screening decisions about which reports of abuse or neglect should be investigated. Once it's determined that an investigation should occur, our state staff will still perform the investigation, with law enforcement, of those cases. So it's ongoing case management where we actually have a child and/or family that has come into the juvenile system that we're either serving through a juvenile court petition or, what we're trying to do more of, through a noncourt

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

or, a.k.a., voluntary service base to actually serve those kids and families. So one of the things we did, first and foremost as we go forward, the private sector trainees will have the same type of training that our state employees had previously, with the addition of those trainees from the private sector will be required to also have additional training on their particular agency models of service delivery. As far as oversight, we continue to build that capacity through quality assurance in some efforts I'll explain to you briefly. One of the things that we spent quite a bit of time on most recently that I'm happy to announce, that we've released just within the last week some data. I know people have been talking about what do the data elements look like. What are the indicators we're measuring? Clearly, we've had on our Web site for the last several years, and you've heard me talk about the federal measures around safety, permanency, and well-being. We also knew that there were other indicators through the data elements that we wanted to measure. So those are now certainly not where we want to end up as far as continued enhancements, but those are out on the Web site now and I think those are good measures. In part, they talk about and look at like entry and exit rates, getting kids to permanency, the type of kids we have in congregate care versus a family-type setting, and time with kids being placed with relatives or family. And so part of this accountability for the entire system is data and one of the things we had to draw a conclusion of and work toward is some commonality around the data, in and of itself. So it's important to use data to drive decisions, as we're making decisions in oversight. Those data elements, if you look at our contracts which are on our Web site and available both the contracts as well as all the amendments, there are pieces in there that talk about those quality measures or the oversight pieces of where we're trying to get to as we move forward. And we'll continue to refine our practices related to that oversight. One of those pieces with the evaluation of the implementation of the reform that I talked about at the November 30 HHS briefing is to...at that time we put out some information in an action plan and we're currently working with Casey Family Programs that's also here and helping us with some different initiatives as we move forward to look at how we're progressing in the state of Nebraska. As far as our quality assurance, in and of itself, we continue to enhance our ability to do the oversight. Our workers then

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

are changing roles from being the hands-on worker to having the oversight capacity. So we started training, we continue to need to do training as we change those roles and responsibilities. Previously, I had some separate staff that were just in our quality assurance department that are doing different types of reviews. For example, they are doing some surveys with foster parents and parents. We've also been conducting some...what we consider like a...we call them a mini CFSR, meaning a mini Child and Family Services review. That's very similar to the type of review that the federal government does for the state, so we stay in compliance with those overarching safety, permanency, and well-being measures. But certainly that's one of the areas that, as we move to the lead contractor agency, part of the oversight is our ability to, instead of me having to oversee, you know, 100-plus contractors, our oversight is now focusing on those lead agencies. So there's contractor requirements. There's also case reviews. We also have a process where we do final recommendations so the lead agency is bringing recommendation for case progression, maybe permanency of the child, change in placement, or a potential case closure. They draft the case planning court report. Our staff then review that, weigh that against the best interests and reasonable efforts to look at is the direction that's being recommended toward permanency, whether that's permanency toward adoption or guardianship, do we believe that to be in the best interests of the child; do we believe that's meeting reasonable efforts if it's a reunification with the family. And so our staff are changing and I see that in an ongoing process, that we will need to continue as we shift the dynamics of...into our workers being more of an oversight capacity than a direct service reviewer or case manager for the family. [AGENCY 25]

SENATOR NORDQUIST: Sure. How much...I guess how are they...the process of monitoring a specific case, I mean is it...the system is they all...everyone shares N-FOCUS, the private lead agencies and the state caseworkers, all the information is shared there? [AGENCY 25]

TODD RECKLING: The N-FOCUS is our documentation system so we've maintained

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

that going forward. That information is considered the official case record as on the N-FOCUS system, that is correct. [AGENCY 25]

SENATOR NORDQUIST: As far as timely access to that information, there shouldn't...I mean will there be any difference between the caseworker entering that info and someone from the agency? [AGENCY 25]

TODD RECKLING: You know, you've heard me talk a little bit previously. Timeliness of data entry has been an issue for us historically, so even prior to the reform our entry of data has been an issue that we've had to wrestle with. As a case manager myself previously, you've probably heard me say this story, I had to decide whether or not I may enter this piece of information or whether I'm going to go out and do that investigation. Is it an excuse for entering this data? No, but I'm going to pick making sure the child is safe, perhaps, before entering the data. But what we've been doing over the years is trying to stress the timeliness of information being entered into our system so I actually have a report that shows that as of January of 2011 that in about 66 percent of the time our workers are getting the information entered on the system for placement changes of a child in about 7 days, and we're up to almost 90 percent by 30 days. Certainly, is that where we want to be? Not yet. We'll continue to make improvements. I also put into our contract where we want to continue enhancements with the lead contractors a three-day requirement for data entry. So it's something we're both working toward on timeliness of data entry. [AGENCY 25]

SENATOR NORDQUIST: And those numbers, are those a...the 66 percent, 90 percent, are those an increase or improvement over past results? [AGENCY 25]

TODD RECKLING: I'm sorry, that is just a snapshot and I don't...I can't... [AGENCY 25]

SENATOR NORDQUIST: Okay, so we don't have historical. [AGENCY 25]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

TODD RECKLING: ...remember the data beforehand, but we can certainly get that information to you. Over time, the long term, it has been increasing a little bit but, again, we want to continue to enhance that measure. [AGENCY 25]

SENATOR NORDQUIST: Okay. Thank you. [AGENCY 25]

SENATOR HEIDEMANN: Are there any other questions? Senator Mello. [AGENCY 25]

SENATOR MELLO: Thank you, Chairman Heidemann. And I think this is probably directed to you, Director Reckling, some questions regarding ACCESSNebraska. [AGENCY 25]

TODD RECKLING: Sure. [AGENCY 25]

SENATOR MELLO: And I have a host of them, but I'll try to keep them focused on some of the performance benchmarks and some of the standards. Knowing that the Lincoln call center is moving forward, has the department developed essentially best practices standards and benchmarks for that center before you choose to open up any of the additional call centers around the state? [AGENCY 25]

TODD RECKLING: Thank you for your question. As a matter of fact, in order for us to continue our relationship with the federal government related to the program, we're working closely with our federal office. And as part of that, we are actually conducting a pilot in our Lincoln customer service center. That pilot started on November 15 and will run until May 15. Part of that pilot did indicate different benchmarks that we wanted to achieve and measure as we go forward for continued quality of service delivery to our customers. So there are particular benchmarks in there, for example, abandoned call rates or (inaudible) for timeliness of processing that we still need to adhere to. We have monthly exchanges of information, either via phone or otherwise, with our federal government. As a matter of fact, they are closely monitoring that. And so we want to

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

learn from that as we continue to roll out the process. But again, that pilot will run until May. [AGENCY 25]

SENATOR MELLO: So that pilot project will serve kind of as your model essentially in regards to developing benchmarks and standards for future call centers too? [AGENCY 25]

TODD RECKLING: In part. The other piece and purpose of the model and the pilot is to get the technology in place. Part of this is a new system where we're, as you know, going to a universal concept. So instead of a particular case being assigned to a caseworker, through the customer service center anybody can call and we'll have that information in our system. So there's been several changes. Our staff have had to take on training into working into the new environment related to not having people assigned to them but being able to look up a case when a person calls and answering their questions. Also, there's phone technology and other computer system changes that have been necessary. We've been working very closely with Brenda Decker from OCIO on the phone technology, so part of it is, yes, measures of how and where we want to be with quality, but also it's to test out and work out the kinks with the actual technology of the system as we modernize our services. [AGENCY 25]

SENATOR MELLO: Okay. How is the department moving forward with assuring compliance in regards to...and Senator Nordquist alluded to this, but some of the processing time lines, particularly with those who are...have limited English proficiency and vulnerable citizens like seniors? How is the agency moving forward to assure compliance with the ACCESSNebraska Program? [AGENCY 25]

TODD RECKLING: A couple things in place, if I could. I'll try to answer your question directly but with a couple supplemental comments. As we've gone forward, many of the states have also done what Nebraska has done in going to a phone interview. So part of it, as we modernize our system, is not just about the customer service centers. I think

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

sometimes the focus gets placed on the customer service centers but it really is a multipronged approach. For example, in September of 2008, we went to an on-line application... [AGENCY 25]

SENATOR MELLO: Uh-huh. [AGENCY 25]

TODD RECKLING: ...and that on-line application has been very important and critical for us and for the public. You can imagine, instead of having to come to one of our offices and filling out a hard copy paper application Monday through Friday between 8:00 to 5:00, you now have the luxury of sitting at your home or friend's home or public library and filling out an application on-line 24/7. So we've now had and received over 185,000 applications in the little over two years that we've been doing this, and our percentages of on-line applications per month continues to grow. [AGENCY 25]

SENATOR MELLO: What percentage roughly is that annually, your breakdown between... [AGENCY 25]

TODD RECKLING: The last couple months that I've looked at it, I believe our on-line application is about 35 percent of our total applications for the month. Excuse me, I'm sorry, I think it's a little bit higher than that. Over...I'll get you the specific number. Per month I think it's maybe in the upper 30s, maybe low 40s, and then after business hours is about 35 percent of those coming in during nontraditional hours. [AGENCY 25]

SENATOR MELLO: Okay. Okay. [AGENCY 25]

TODD RECKLING: Another piece of this is going to telephone interviews. So again, instead of a person actually having to come to our office, they're now able to pick up the phone and do an interview with our workers, and we've already seen...we implemented that in January of 2009, we're doing about 95 percent plus of our interviews over the phone. So the customer service center is a piece of it. Timeliness overall is an issue we

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Rough Draft

Appropriations Committee  
March 14, 2011

---

continue to work on. As Senator Nordquist mentioned, we have had our struggles with that, and part of it is we're trying to make adjustments along the way. So our model, where we were moving toward ACCESSNebraska when we started in 2008, has had to have some adjustments based on the number of applications that we are required to process. Just to give you an example of that, two years ago, just in the SNAP Program alone, we were serving about 53,000 households per month and currently we're up to about 76,000 households per month. So we've made some adjustments in the number of staff, based on our efficiencies and effectiveness, as we modernize both our processes and technologies of where we'll ultimately end up. Currently, over the course of this time, we've had a change of...a reduction in workers of about 122 and we anticipate that we'll have...ultimately again make adjustments but maybe another...ultimately end up around 160, maybe 180 or so. But again, it depends on where we project and look at the numbers of applications coming in over the course of '11 as well as '12. [AGENCY 25]

SENATOR MELLO: A hundred and eighty total or a hundred and eighty more?  
[AGENCY 25]

TODD RECKLING: A hundred and eighty total. [AGENCY 25]

SENATOR MELLO: Okay. How many...have you closed down any regional offices yet as you're transitioning to the call centers? [AGENCY 25]

TODD RECKLING: We're obviously starting to. Previously, we've identified satellite offices. So, for example, where we've had lesser numbers of demand for people coming to the office, we strategically looked at what satellite offices we wanted to perhaps do. We're revisiting all that as we go forward, especially in light of where we want to head with LB234 as well about...based on our business needs. Those have also changed with the change in the child welfare workers. We have those placed across the state in locations. So we want to maximize the office space that we have available and have a

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Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

plan, a master plan, going forward for that information. But our timeliness, I recognize, it's an issue for us that we're trying to address. I have a work group that looks at caseloads on a frequent basis as we try to adjust those caseloads and balance those out across the state so we can continue to work on our timeliness. [AGENCY 25]

SENATOR MELLO: When is the final implementation, roughly? [AGENCY 25]

TODD RECKLING: We've said all along that we'd be fully implemented by the end of 2012, so that's...we're still on target for that. And I just want...maybe a supplemental statement to Senator Nordquist, more so related to child care but I think it illustrates the point. Whenever we have an opportunity to automate, that's part of what we want to do. You've heard me describe some of that automation for ACCESSNebraska; that as you also saw, under CEO Winterer's testimony, the Enterprise Content Management. And so through that, we're actually looking at, for example, childcare providers and how to automate that process. It's a pretty archaic process, an onerous task to fill out billings, mail them and so forth. So later this year part of our movement toward automation, one of the groups that will be rolled into that process will be childcare. So we're certainly cognizant and want to increase our timeliness of response. I think it's to the state's best interest and more so to the providers' best interest to be paid on a timely basis. [AGENCY 25]

SENATOR MELLO: Okay. Thank you. [AGENCY 25]

SENATOR HEIDEMANN: Senator Hansen. [AGENCY 25]

SENATOR HANSEN: I was wondering if I could ask Director Winterer a question. Changing gears just a little bit, do any of the accounts that you pay providers, are they interest-bearing accounts? [AGENCY 25]

KERRY WINTERER: Well, we have...dollars that we have, as I understand it, are held

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Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

by the State Treasurer until we disburse those, and I would assume the State Treasurer is holding those in whatever interest-bearing accounts they may have. [AGENCY 25]

SENATOR HANSEN: But you don't keep track of which accounts have...what payments would go to providers that would...do you have a way to track the interest? Probably not if the... [AGENCY 25]

KERRY WINTERER: No, because my understanding is those...that it's actually held by the State Treasurer until funds are disbursed. [AGENCY 25]

SENATOR HANSEN: Okay. That ruins the rest of my questioning, so that's it. Thank you. (Laugh) [AGENCY 25]

SENATOR HEIDEMANN: Are there any other questions? Seeing none, thank you. (See also Exhibits 13, 14, 15, and 16) At this time, I want to read into the record that we had a letter from Voices for Children in regards to various items, with concerns with various items in the Department of Health and Human Services budget; also a letter from Child Guidance Center also with regards to concerns with various items in the department's budget. We got a letter from Cystic Fibrosis Foundation in regard to funding for Genetically Handicapped Persons Program, and also a letter from the University of Nebraska Medical Center in regard to Nonembryonic Stem Cell Research Grants Program. Is anyone else wishing to testify on Agency 25? Welcome, Kay. [AGENCY 25]

KAY OESTMANN: (Exhibits 17 and 18) Good afternoon, Senator Heidemann--or is it evening--and members of the committee. My name is Kay Oestmann, O-e-s-t-m-a-n-n, and I'm speaking today on behalf of Local Public Health in Nebraska. We appreciate your commitment to public health and we are willing and planning to work with our partners in our communities to address needed changes in funding to best serve our populations. Statewide public health was provided, through LB692 in 2001, and since that time public health has asked for no increase from that fund. The funding has

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Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

leveraged other funding based on community assessments of need. As you have heard from other agencies, increases in infrastructure factor into our daily operating budgets. In 2006, LB1060 was passed and local health departments received funding for disease surveillance, communicable disease investigation and control, and development of statewide standards for data collection and measurement, and this is an important tool in the plan for accreditation of public health departments. During the ninth year of funding and eighth full year of operation, continuing progress has been made in the development of local public health departments throughout the state. We are allocating funds based on health needs and priorities, as determined through regular comprehensive community health planning processes. The departments have assumed a key leadership role in the coordination and planning of health services, and have been successful in bringing together local organizations and leveraging funds to address the public health needs in their communities. They continue to fill in the gaps with key services and have become a leader in healthy communities across the state. I have attached a "Local Health Department Fact Sheet." Hopefully, some of you have seen this before. We have one that's unique to...each local health department has one of these sheets. The first two sheets in your handout show that, and then below that, examples of activities performed in your local areas. We all have a blue area that we fill in information from our annual report. Annual reports are all placed on our Web sites. I think it goes to Health and Human Services. I don't know if you get a copy of the annual report from the state or not, but anyway, lots of good information. From LB692, we've been able to leverage some pretty good funds, including the \$5.7 million grant that Douglas County was a part of that is putting community prevention to work. In the southeast district, we've leveraged \$200,000 through a Catholic Health Initiative Grant. It's for Growing Great Kids and its for at-risk moms and babies and it's a home visitation program. There's been a little over \$800,000 for rural medical response system in the Elkhorn-Logan Valley area, and it goes on. We've, you know, because of the infrastructure funding that we've obtained through the LB692, we've been able to carry this out to our communities and leverage other funds. Several health departments have documented all kinds of data that they're getting. TB is important in our state. We're

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Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

following up on that. We're working with our communities to prevent its spread. The recent meningitis case that you heard of in Public Health Solutions' area, pertussis is everywhere and we're addressing that, and, you know, rabies. You know, we have a lot of good stories that we could tell you if the yellow light wasn't on. (Laughter)  
Departments through the state are working on a coordinated school health initiative where we work with students and the schools to provide health education and in most areas we're working on the obesity epidemic and trying to prevent chronic disease. I'll stop. Do you have any questions? [AGENCY 25]

SENATOR HEIDEMANN: Thanks, Kay, and for all that you do. Are there any questions? Senator Conrad. [AGENCY 25]

SENATOR CONRAD: Hi. Thank you for being here and thank you for your presentation. I just wanted to draw your attention to an issue you may have received a letter or some communication from members of this committee about, but there is a piece of legislation that's been introduced this year, LB84, which would have a dramatic impact on General Fund revenues in programs in future Legislatures if adopted. And I was wondering if your group has had a chance to review that proposal and if you are planning to develop a policy position on it or...? [AGENCY 25]

KAY OESTMANN: We have... [AGENCY 25]

SENATOR CONRAD: Okay. [AGENCY 25]

KAY OESTMANN: ...and we're working on it. And we appreciate... [AGENCY 25]

SENATOR CONRAD: We'll give you the time you need. [AGENCY 25]

KAY OESTMANN: ...we appreciate your recognizing the fact that we had input in. Thank you. [AGENCY 25]

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Rough Draft

Appropriations Committee  
March 14, 2011

---

SENATOR CONRAD: Yes. And we really... [AGENCY 25]

KAY OESTMANN: You know, eight years ago nobody would have thought to contact us. (Laugh) [AGENCY 25]

SENATOR CONRAD: Well, we're hoping that we can have a collaborative dialogue about the importance of funding all of our state obligations and... [AGENCY 25]

KAY OESTMANN: Absolutely. [AGENCY 25]

SENATOR CONRAD: ...and just that we're looking thoughtfully into the future about impacts and results, and we need folks on the front line who know far better than us in here sometimes. So thank you so much. [AGENCY 25]

KAY OESTMANN: Absolutely. Absolutely. [AGENCY 25]

SENATOR HEIDEMANN: Are there any...Senator Hansen. [AGENCY 25]

SENATOR HANSEN: Thank you. Thank you for being here today and I see some good comments in here about my west-central district health group. I didn't send a letter out but did you know that there's also legislation to put \$25 million in to Innovation Park too this year? So there's a lot of demands on what we have for budget no matter where you come from. If you're interested in going out to central Nebraska, roads are very important, too, and safe roads are very important, too, so just to balance it all. [AGENCY 25]

KAY OESTMANN: My only comment on that is that I've been in public health for longer than some of you have been alive. I started when I was six and (laughter)...I always like to say, but anyway, public health will be around anyway. [AGENCY 25]

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Appropriations Committee  
March 14, 2011

---

SENATOR HANSEN: Yep. [AGENCY 25]

KAY OESTMANN: We're committed to that. We have to do that. We may have to find new innovations. The LB1060 money that provides for us to do some really good assessment and standards and see what the needs are in the communities has been put to use very well and we have data that shows what the biggest needs are in our communities, and what you need in Lincoln or what you need in Elk Creek may not be the same thing that you need, you know, in Omaha or that you need in Lexington or Scottsbluff, and we have the data to prove that. So we will be taking the things that are the most important and we'll still be around when people that are the fly-by-night people that get the grants and have the good ideas, and they're there for two years and then disappear, are gone, because it's still important that we have all the things that you need from public health. Your, you know, your ability to go into a restaurant and eat, and if you get food poisoning we'll find out what it was. You have the ability that if somebody is sitting beside you that has TB, we're going to come and skin test you. You know, all of these things are things that public health will still be there, even if the Innovation Campus or the roads are good, you know? (Laugh) [AGENCY 25]

SENATOR HANSEN: Thank you. [AGENCY 25]

KAY OESTMANN: It won't be easy. We still need the funding, don't get me wrong. I'm not saying that to this group. But we have to...public health has to have a presence and we have more of a presence than we had nine years ago and we're working on having a greater presence. And we really appreciate your continued support. [AGENCY 25]

SENATOR HANSEN: Thank you. [AGENCY 25]

SENATOR HEIDEMANN: Seeing no further questions, thanks, Kay. [AGENCY 25]

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Rough Draft

Appropriations Committee  
March 14, 2011

---

KAY OESTMANN: You're welcome. Thank you. [AGENCY 25]

SENATOR HEIDEMANN: Anyone else wishing to testify on Agency 25? Come forward. Welcome. [AGENCY 25]

ROBERT STERKEN: (Exhibit 19) My name is Robert Sterken, that's R-o-b-e-r-t S-t-e-r-k-e-n. I am a state employee and I'm a social service worker for Health and Human Services, but I'm here to testify on my own behalf and as a member of the state employees labor union, NAPE/AFSCME. And my testimony is from my own observations and from that of my fellow workers. I do want to tell you that it's uncomfortable for me to be here today because I work currently in the new building, we just moved, that will be the customer service center in Fremont. I'm sure that my supervisors in that building don't really appreciate what I'll have to say today. I've been a social service worker for almost 30 years for the department and over the years we've always recognized that in our position we were viewed by our clients and by the community as a last line of defense. Doctors' offices would tell patients, they came in, well, talk to your caseworker. Landlords say, talk to your caseworker. Across the community it's just a given, if people have issues and problems, well, talk to your caseworker. Over the last few years that has been changing. Now the community expectation hasn't changed, my clients' expectation hasn't changed, but our supervisors have been telling us, you're not a caseworker, you are an eligibility worker, you determine eligibility for the programs you work with, like SNAP and Medicaid; you're not here to help your clients solve their problems, we don't have time to do that, our cases are much too large, we can't do that anymore, someone else will have to do that. Last year I was here to give testimony before this committee about the same issue. I'm here again to remind you, because I think it's an important one. I think it's an important service to the citizens of Nebraska that's being lost. Our clients, like I said, would frequently call us, sometimes because they were asked to by others, sometimes on their own, asking us for help because they didn't know what to do or where to go. Now our response to people is, well, just call 211 and they'll help you. We're passing the

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Rough Draft

Appropriations Committee  
March 14, 2011

---

buck and I'm not sure that there really is anybody else to pass it to. When caseworkers ask this question, who's going to assist our clients that have been dependent on us in the past, we were told our community partners will have to take up the slack. I don't know who those community partners are and I'm not sure that those community partners know who they are. One of the pieces of what's changing is the centralized call centers. Now for some of our clients that will not really be too much of a problem. They'll be able to function with that okay. But we also have a lot of people that call us because every place else they call they get a message and recording, press this number, press that number. I passed around a list to you about how our call center system will work, what numbers you press for what. I'm sure you've all called call center situations where you got frustrated and didn't know what number to press. I've had those plenty of times. If someone with a college education has trouble with that, what about our clients that function at a very low level? Their tendency is to give up and hang up. Another issue that we have about the call centers, situations have ongoing that can't be met in one phone call. It was discussed earlier today about the problem when someone's childcare gets cut off because their income just went over the limit, and the childcare provider wants to call and discuss that with the worker and see what we can work out. With the call center, you get a different person every time you call so the continuity of dealing with that problem is not going to be the same. At a time period when, in child protective services, we're understanding that early intervention is very important, it helps resolve the issues before they get larger, and we're making more of a recognition of that today and putting more emphasis on that, on our side of the agency we're taking that away. Where our workers saw ourself is that first line of defense, where we saw ourselves as heading off problems before they got larger, that's going to be gone and now it will have to wait till adult protective services has to get involved and they have to deal with the issue at the end. I know that our agency recognizes that there are some issues with this. One evidence of that is they created a new position called community liaison specialist. Omaha has hired, I believe it's, three people for this position. Their job is to help talk to community organizations to convince them to assist our clients to apply on-line, use the on-line application, make computers available, help them with it when

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Rough Draft

Appropriations Committee  
March 14, 2011

---

they don't know how to use a computer. It's also been their job to help find other organizations to do those services that we don't provide any longer. So we had to hire some people to try to facilitate that. I heard just a little bit ago that on-line application is a luxury. For some people it might be if they have a computer at home, but for my clients it's not a luxury. Most of my clients have to go someplace else to find a computer and find someone that knows how to use it. They don't have a computer at home. They can't afford one and they wouldn't know how to use it if they did have one. I think that the on-line application is a benefit for some people, but we still need to not forget those that don't function with that. And I thank you. [AGENCY 25]

SENATOR HEIDEMANN: Thank you for coming in and testifying today. Are there any questions? Senator Mello. [AGENCY 25]

SENATOR MELLO: Thank you, Chairman Heidemann. And thank you, Mr. Sterken, for coming in today. My question is this, and it's something that I asked Director Reckling a little bit about, is kind of the performance measurements and standards that are being developed as we move towards implementation of ACCESSNebraska. From your perspective, do you feel there is an adequate amount of transparency with what's going on with the transition from our current model to the ACCESSNebraska model and is there any recommendations you can provide us as a Legislature to ensure more transparency within the Department of Health and Human Services so that not just us as a Legislature knows more about the implementation but I think the public at large is more familiar with the inner workings of how this project is going to be implemented? [AGENCY 25]

ROBERT STERKEN: Well, for me, that's a real hard question to answer because I don't have all the information. But from what I see, statistics only tell part of the story, numbers only tell part of the story, and we all know that you can do just about anything with numbers you choose unless someone calls your numbers into question. The part that's missed by all the statistics and the numbers is the impact on individuals. That

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Rough Draft

Appropriations Committee  
March 14, 2011

---

doesn't necessarily show up in statistics. Those clients that are frustrated and give up on the system because they feel like the system is inaccessible to them are going to be difficult to show in statistics. That's going to be the kind of thing that, in the worst cases, they're going to be the ones that nobody knows about because they disappear and they're no longer receiving assistance. We've had clients in the past that found our system difficult to deal with and we would almost have to beg them to stick with us and not give up. Those clients will not have anyone begging them anymore. So I think that that's the part of it that, with numbers and statistics, is very easily missed. [AGENCY 25]

SENATOR MELLO: Is there any public plan, so to speak, that the department has shown you or front-line caseworkers or anyone in regards to here is how we're going to move forward, here is essentially...here is ACCESSNebraska for public consumption, memorize this, learn this, be able to talk about this and then tell us where we have shortfalls or pitfalls and we can try to make changes to that? [AGENCY 25]

ROBERT STERKEN: Well, I don't have the details about how any of this is going to work because, I mean, the building, we moved in last week, but we're not going to be starting converting over to the actual call center for several weeks yet and I haven't had any training about exactly how this is going to work. All we have is some very general information. So it's hard for us, as caseworkers, at this point to know specifically how this is going to work, how it's going to actually go. And I'm sure that for anyone, management people in our agency as well, they're having to watch all this and have to make adjustments as we go along and see what's working and what needs to be improved. And I think it's not that it can't work at all, but there needs to certainly be some real care given to what happens to these clients that...all of us have some that are quite dependent on us. And if they get a different person every time they call, that's going to be a dramatic change. It's going to be much more difficult to help those kind of people when there's a different person on the phone every time and no one has ownership for that person or for their needs. I hang up the phone; I'm done with that person until they come and get somebody else next time. [AGENCY 25]

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Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

SENATOR MELLO: Okay. Thank you. [AGENCY 25]

SENATOR HEIDEMANN: Seeing no further questions, thank you for coming in and testifying today. [AGENCY 25]

KATE BOLZ: (Exhibit 20) Good afternoon. My name is Kate Bolz, that's B-o-l-z, and I'm here today representing the Nebraska Appleseed Center for Law in the Public Interest. Nebraska Appleseed recognizes that in this difficult budget session strategic choices are needed to balance the budget, to protect families in the economic downturn, and to position Nebraska to move ahead as quickly as possible. So today I would like to focus my comments on appropriations that we believe should be protected in the short term for the long-term benefit of Nebraskans, specifically, provisions related to the administration of public benefits and provisions related to aid programs for vulnerable populations. I would like to begin by speaking to aspects of the appropriations bill that impact public benefits administration. Access to public benefits programs can often mean the difference between people sinking deeper into financial instability or getting back on their feet. The modernization of Nebraska's public benefit system through the creation of ACCESSNebraska, our on-line and call center based system, is a major step by the department of Health and Human Services that is significantly changing the way that people access public assistance. We are in a vital stage of our implementation. Clients are moving from working with local offices and caseworkers to working with on-line applications and call centers. The effective implementation of this stage is essential because the difficult...the consequences of difficulties are significant. Indeed, ineffective implementation could harm vulnerable populations if benefits are lost, delayed, or hard to access. Problems in implementation could also jeopardize our vital federal funding. You have already heard today of some of the shortcomings identified in the system, specially for vulnerable populations, including the elderly, individuals with complex cases, non-English speaking applicants, delays in the accessing of Medicaid and other important benefits programs. We are also hearing that community partners

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Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

have faced difficulties in working with the system when attempting to assist their clients in navigating this new model for accessing services because of their own limited capacity. Senators, turning to specific appropriations proposals, we find the proposal to significantly reduce full-time employees in economic and family support programs to be concerning. Supervision level staff members have expertise that is critically important during this crucial transition. Moreover, adequate staffing is imperative to ensure that vulnerable populations can access the public benefits system and to ensure compliance with federal and state law. We would request that the committee and the department proceed very cautiously regarding these staffing reductions, particularly this fiscal year as the call centers move into place. We would also caution that the proposal to reduce Employment First contracts has the potential to decrease the supports that struggling families need to successfully move into self-sufficient employment. We also request that the Appropriations Committee require reports from the Department of Health and Human Services in order to make the process more transparent and to ensure that ACCESSNebraska is effective, efficient, and compliant with federal law. We agree with Director Reckling that it is important to use data to drive decisions, and we would argue that comprehensive data, timely data, public data, and data that addresses the specific needs of clients, particularly our most vulnerable clients, must be tracked effectively and in a timely manner. In short, we urge you to help make ACCESSNebraska more successful but ensuring that resources are available to meet demand, by retaining staff expertise, and by monitoring implementation of this new program. I'd like to move on to addressing some vulnerable populations and some of the aid programs that service those vulnerable populations, and I'll ask for your graciousness as there's one Appleseed individual testifying today and not four. Relating to aid programs for vulnerable populations, we recognize that cost savings must be found in the administration of programs and that services to legal permanent residents under the five-year bar is optional in certain public programs. We would like to see these services maintained for all families and we believe that this approach is the wrong direction for permanent residents and likely to result to cost shifting to other programs. However, at a minimum, we would like the committee to consider retaining SNAP services for legal

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Transcriber's Office  
Rough Draft

Appropriations Committee  
March 14, 2011

---

permanent residents, which is the least expensive of these options. Finally, in the child welfare context, we have concerns that the proposed budget would take a step backwards with regard to the programs established by LB603 which have provided needed assistance to families caught in the gaps brought to light and still not sufficiently addressed by the safe haven law. We are also concerned of the proposal of elimination of protection and safety workers. Adequate state caseworkers are necessary to ensure safety and well-being of children in the system and to make and provide oversight of critical decisions affecting these children as part of the state's legal obligation to the children in the state's custody. We certainly thank the committee for their service in this difficult time and respectfully request that resources for the most vulnerable Nebraskans are protected. [AGENCY 25]

SENATOR HEIDEMANN: Thanks, Kate. Are there any questions? Seeing none, thank you for testifying today. [AGENCY 25]

MARY ANGUS: Good late afternoon,... [AGENCY 25]

SENATOR HEIDEMANN: Welcome. [AGENCY 25]

MARY ANGUS: ...Senator and committee members. My name is Mary Angus, A-n-g-u-s. I am representing Adapt Nebraska, which is a network of advocates across the state for people with disabilities. I'm kind of in an odd position because my own budget at home is in enough of a mess; I certainly don't feel like I'm in a good position to really tell you how you should be spending the state's money. However, some of the experiences that I've had with my group of people across the state echo what you just heard from Kate from Appleseed, and I'd like to support her request for transparency and accountability and protection for those folks. I have great concerns, as did she, about cutting down on personnel and that type of thing. When the director actually said, you know, if there's a time when I either have to put the data in the system or go check on the welfare of that child, I'm going to go check on the welfare of that child, and

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Appropriations Committee  
March 14, 2011

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certainly that would be where I would want them to go. But how can we hold the division accountable? How can we have any kind of transparency when that timeliness, as Senator Nordquist has talked about, isn't there so that we don't have a way of knowing whether they're actually going out and checking on that child or not, not to say that they're not? I have had more people approach me about the problems that they have had with regards to ACCESSNebraska and, thus, with the service provision that's available for folks with disabilities in particular, the low income in general: getting no answer on the phone; being routed to the wrong place; not having a person tell them anything that they really needed to know; being told they're ineligible, and when I've had them reapply they've been found to be eligible. This has been families that are impoverished with children who are ill and need medical assistance and are being turned away. I have more than one family who had to place her child in the court system, even though that child already had Medicaid, because services were being denied to that child unless they were court ordered. A family was disbanded in order to get the services that should have been available through the system. When we first started talking about going to ACCESSNebraska in the first place, it was based on a Florida model that was going on at the time, and I believe this was probably five years ago. I'm not positive. I spoke with one of the administrators in Florida who was overseeing the behavioral health issues that were going on there, and her report to me, anonymously, was that it was devastating to persons with mental illness. We are putting our most vulnerable people in line for destruction, for failure, for going down an area that they really don't deserve to have to deal with. One of the things that when we talk about data entry and timeliness of eligibility reviews and stuff like that, I think, Senator Mello, you mentioned the \$40 million that was already left over at this point or however that was to be described for the MMIS system, I have talked before about the problems that have been found in previous audits with N-FOCUS, which is the data collection system that is used for ACCESSNebraska, and that in the previous two audits there have been found to be people who had no right to access, to have access to confidential information. For the division to be overemphasizing or overstating the amount of state funding that needed to go in for Medicaid and understanding the

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federal, I just have major problems with how can we expect accountability and transparency when we're not having the data we need, we're not finding out in a timely manner what we need to find out, and when people are giving up, as you've just heard, giving up instead of continuing to try to apply, because it's been so difficult. And with that, I'd be happy to take any questions that you'd like to ask. [AGENCY 25]

SENATOR HEIDEMANN: Thanks for coming in today, Mary, and testifying. Are there any questions? Seeing none, thank you. [AGENCY 25]

MARY ANGUS: Oh, you're so good to me. Thank you. [AGENCY 25]

SENATOR HEIDEMANN: Is anyone else wishing to testify on Agency 25? Seeing none, we will close the public hearing on Agency 25. [AGENCY 25]