

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

HANSEN: All right. Good, good afternoon and welcome to the Health and Human Services Committee. My name is Senator Ben Hansen. I represent the 16th Legislative District in Washington, Burt, Cuming, and parts of Stanton Counties, and I serve as Chair of the Health and Human Services Committee. I would like to invite the members of the committee to introduce themselves, starting on my right with Senator Day.

DAY: Good afternoon. Jen Day. I represent Legislative District 49 and Sarpy County.

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

RIEPE: I'm Merv Riepe, representing District 12, which is southwest Omaha and the good folks of Ralston.

HANSEN: Also assisting in committee is the best staff in the Capitol, who are legal counsel Benson Wallace; our committee clerk, Christina Campbell; and our committee page for today is Delanie. A few notes about our policy procedures. Please turn off or silence your cell phones. We'll be hearing two bills, and we'll be taking them in the order listed on the agenda outside the room. On each of the tables near the doors to the hearing room, you will find green testifier sheets. If you are planning to testify today, please fill one out and hand it to Christina or one of the pages when you come up to testify. This will help us keep an accurate record of the hearing. If you are not testifying at the microphone but want to go on record as having a position on a bill being heard today, there are white sign-in sheets at each entrance where you may leave your name and other pertinent information. I'll also note, if you are not testifying but have an online position comment to submit, the Legislature's policy is that all comments for the record must be received by the committee by noon the day prior to hearing. Any handouts submitted by testifiers will also be included as part of the record as exhibits. We would ask if you do have any handouts that you please bring 10 copies and give them to the page. We use a light system for testifying. Each testifier will have five minutes to testify. When you begin, the light will be green. When the light turns yellow, that means you have one minute left. When the light turns red, it is time to end your testimony, and we will ask that you wrap up your final thoughts. When you come up to testify, please begin by stating your name clearly into the microphone and then please spell both your first and last name. The hearing on each bill

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

will begin with the introducer's opening statement. After the opening statement, we will hear from supporters of the bill, then from those in opposition, followed by those speaking in a neutral capacity. The introducer of the bill will then be given the opportunity to make closing statements if they wish to do so. On a side note, the reading of testimony that is not your own is not allowed unless previously approved, and we do have a strict no-prop policy in this committee. So with that, we will begin today's hearing with LB88. And welcome, Senator Hunt.

HUNT: Good afternoon, Chairman Hansen and members of the Health and Human Services Committee. I am Senator Megan Hunt, M-e-g-a-n H-u-n-t, and I represent District 8 in Midtown Omaha. Today, I'm presenting LB88: a bill that would lift the lifetime ban on Supplemental Nutrition Assistance Program, or SNAP, eligibility for people with certain criminal histories. Under current statute, an individual with a conviction for drug distribution or with three or more felony convictions for possession or use of controlled substances is ineligible to receive SNAP benefits for the rest of their life. LB88 would allow these individuals to become eligible for SNAP once they have either completed their sentence or they're serving a term of parole, probation and post-release supervision. When people are re-entering society after time in a correctional facility, their first and most basic human need is food. For many, it takes time to get established with housing, a career, and to start rebuilding a productive life. None of that can happen for a person who is going hungry. I'll summarize the main points of this bill, and happy to answer any questions. And I know there are also, also some advocates coming after me who can speak more to the details of the bill as well. This ban is selectively moralistic and incongruent when we consider that it doesn't apply for any other type of crime at all. The state does not impose this type of ban on SNAP eligibility for any other kind of conviction; That means Nebraskans who have committed the most horrific types of crimes we can imagine. None of these people are banned from SNAP by reason of their felony conviction. It's just to those folks that have a fact-- that have a past that involves possession, use or distribution of drugs who can't receive SNAP. The truth of the matter is that this is not arbitrary, because the policy has roots in the war on drugs and systems designed to incarcerate, segregate and punish people of color, who are more often cited and convicted for drug crimes in our state and in our country. We know that black and brown people have historically and presently are being disproportionately harmed by policies like this one. Black people are

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

more likely to be arrested, convicted and incarcerated for drug crimes than white people are for the same crimes, and they also face more food insecurity. Here is one free, tangible way that we can correct that wrong. As Nebraska reckons with the nation's worst prison overcrowding, we have an opportunity with this bill to help prevent some nonviolent former offenders who have served their time and who are doing everything right from winding up back in prison on the state's dime. Allowing this population to access SNAP will actually result in a cost savings for the state. A person convicted of a drug felony spends an average of 1.6 years in jail, and the average cost to incarcerate a person for one year in Nebraska is about \$36,000. That's a cost of nearly \$58,000, at least, for each of these individuals. SNAP costs nothing, as the state only pays the administrative costs for the program, which we are already paying, and the federal government covers the rest. Should we let these Nebraskans get a temporary hand up at no cost to the state? Or should we spend tens of thousands of dollars to lock them back up again? Many of these people also have children. Should their children go hungry because of the mistakes of their parents? It's cruel and willfully ignorant to say that our prison systems are intended to be rehabilitative and then for us to send these folks back out into the world and continue punishing them by denying them access to assistance in meeting one of their most basic, fundamental needs. We've heard over and over again that this ban is directly contributing to folks being driven to reoffend by committing financially motivated crimes out of necessity. We know that it negatively impacts the children who depend on these adults, and we know it increases recidivism. If a person once sold drugs in order to feed their family and they cannot feed their family once they've exited the correctional system, what do you suppose their options are going to be? It's fairly likely that, in the absence of other available income streams, they'll turn back to selling drugs or obtaining money and food and other legal ways once again. I'll also note that most SNAP recipients are subject to work requirements as well. This is from the DHHS website: "with some exceptions, most able-bodied adults between 16 and 60 must register for work, take part in an employment and training program to which they are referred by the assistance office and accept or continue suitable employment. Failure to comply with these requirements can result in disqualification from the program." After I got divorced in-- gosh, maybe it was-- I don't even know anymore, 2012 or 2013-- I was, hoo, making no money, and I was-- I spent a couple of years really struggling with my child, who was two at the time and, you know, finding an apartment that we could afford. And I was on SNAP for

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

several years for a little while during that time. And I can attest personally to all of you that qualifying for SNAP is not easy. You have to do these lengthy interviews on the phone. You have to requalify. You don't just, like, get them in perpetuity forever. Like, they really look at your personal finances. They literally looked at my bank account. They asked me questions about money I had received and money I had spent. Like, they were very, very personally stringent about whether I qualified for this benefit or not and-- so I think that the system that we have in Nebraska is working for SNAP. I think that the right people are qualifying for this benefit. I don't think that it's a waste of money, and I think it's administrated very-- in a very fiscally conservative way, in a very fiscally responsible way. But it just makes no sense to me that if somebody made a mistake in their past, they've paid their debt to society, they're fulfilling the terms of their parole, probation, post-release supervision, that this is the only crime, drug possession, use or distribution, that we continue to punish them for for the rest of their entire lives. You know, it's typically a story of someone in their youth making poor choices out of desperation and one that they look back on with regret as adults. And many of these people, it was because of the pandemic that they even learned about this law. Our, our office heard from numerous people who were, like, single moms in their forties who, for the very first time, found themselves system-involved trying to access some benefits, aid to dependent children, SNAP, Medicaid, things like that, because they'd lost their job in the pandemic. And some of them who had some drug conviction histories from sometimes their late teens and early twenties learned for the first time that they weren't even going to be eligible for that assistance. So, you know, pushing people toward food insecurity, pushing people toward recidivism and reoffending, that's the unintended consequence of this policy. And I think in Nebraska, it's just time to do away with it. Currently, 43 states have opted out of this same ban, including Iowa, Kansas, South Dakota, Wyoming and Mississippi. This isn't one of my crazy progressive ideas exactly. It's just good policy, so. I'd be happy to answer any questions. Thank you.

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

RIEPE: Thank you, Senator. Thank you, Senator Hunt, for being here. My, my question-- I'm told I need to lean into the mic, so I will do that. You noted that this was the only item, the drug and related convictions that are restricted from getting into SNAP. Is that--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

HUNT: It's only drug rela-- yeah, it's just--

RIEPE: Drug-related.

HUNT: --possession, use or distribution.

RIEPE: Is it your sense, then, that there was-- whoever introduced this bill whenever didn't take the time to go in and take other bills that were similar and simply amend it to take out the-- or make sure that they didn't put in drug-related convictions? Or at that time, they would have put it-- wanted to put it in. But it seemed to me like it was a little lazy approach here when this bill originally, L-- whatever it was-- I don't know what the--

HUNT: Well--

RIEPE: --original statue was.

HUNT: --the origin-- it wasn't a bill introduced in Nebraska exactly. The origin is it's a federal law that allows states to do this. So Nebraska opted in to do it, which I believe was a decision made in the executive branch and--

RIEPE: Oh. OK.

HUNT: This was part of the war on drugs in the '80s. It was just sort of, you know, a policy opinion at the time that if we are more punitive toward drug offenses, that would be best and--

RIEPE: Tough on crime.

HUNT: Tough on crime. Yeah. It's a little just old-fashioned. And we have many decades of seeing the results of this policy, and most states have decided maybe it's not doing what we want it to do.

RIEPE: OK. Thank you.

HANSEN: Any other questions? I may have one-- or somebody after you can answer it, but I can put it out there now. I'm assuming-- I can't-- I don't, I don't know why they implemented this in the first place, but I'm assuming they did it for this purpose because the individuals who were convicted of these crimes-- they, they might have felt aren't as-- I'm trying to get the wording-- the best at using state funds to get SNAP program because there might be the potential

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

for fraud. I'm not saying that is or not. Can you maybe talk about how much SNAP has gotten better--

HUNT: Yes.

HANSEN: --at security to prevent fraud?

HUNT: Senator Ben Hansen, I'm so glad you asked me that. This is a great question. There is-- so I've been working on this bill now-- this is my fifth year working on this specific policy. It was my priority bill last year or the year before. I-- It's-- I've-- it has been a big passion project for me. I think that part of the reason there's a lot of ignorance and misinformation about how the SNAP program works is because it's often called food stamps. It used to be called food stamps. And so people had the incorrect sort of idea that people are literally getting a book of stamps, which they used to, and that they then have these tokens that they can exchange for other things, for goods and services or for drugs or for illegal things and that food stamp fraud was rampant. Today, the way the program works-- we don't call it food stamps anymore. We call it SNAP. And what SNAP recipients get is a debit card. I used to keep mine in my wallet just to-- for, for a few reasons. One, because I'm just, like, lazy and I didn't clean out my wallet for a long time. And two, because it's just a reminder of, like, what I've overcome and how far I've come to move past the time when I needed that. And three, because I had colleagues in the Legislature who thought it was still literally a book of stamps. And then I could show them my old card and say, this is all it is. It's just like a credit card. You swipe it just like a credit card. You have to put in a pin number in order for it to work. And frequently-- they are not supposed to do this. This is not legal-- but cashiers will check your ID, particularly, you know, if they have some judgment about people using SNAP or government benefits. I, I was targeted many times by cashiers who would be, like, really, really extra stringent about the card and ask for my ID and hold it up and hold up the card so everyone behind me could see the card. And it's just, like-- this whole culture of kind of shame around, around poverty or around needing any kind of government benefits at all. But the point of all that is to say the SNAP program is extremely secure. There are very, very few, if any, instances of SNAP fraud, and that's because of the security of that card and because of the good work done by DHHS in Nebraska.

HANSEN: Thank you. Yeah. Because I think, I think the fraud has become a lot less over the course of time. I know they can still-- they have

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

a machine they can still put it into. But what I've-- from what I've seen, they split the money with the person. They pay them cash and the person uses their card to enter it in something. But I think that's few and--

HUNT: Yeah. You can't do that with a SNAP card.

HANSEN: OK. Cool.

HUNT: You can do it with, like, a regular debit card, but not an EBT SNAP card.

HANSEN: OK. Yeah. You're right. I think, I think it has gotten better. And so I think-- I'm kind of with you on this one, that you either give it to everybody or we don't give it to everybody kind of thing, so.

HUNT: Next year, you introduce it. It'll pass. [LAUGHTER] I'm right.

HANSEN: With the, with the audience behind you, I will, I will plead the Fifth on that one. Are there any other questions from the committee? Seeing none. Are you going to stay to close?

HUNT: Yes, I will. Thank you.

HANSEN: All right. Yup. All right. We'll take our first testifier in support of LB88.

SPIKE EICKHOLT: Sorry. I'm getting ready here. Good afternoon, members of the committee. My name is Spike Eickholt, S-p-i-k-e. Last name is spelled E-i-c-k-h-o-l-t. I'm appearing on behalf of the ACLU of Nebraska in support of LB88. I'm passing out my testimony, so I'm not going to read from it. I'm also having passed out a study that I refer to in my testimony that I'll just talk about. I think Senator Hunt explained the purpose of the bill very well. I think this bill has been heard by this committee before, and I think most of the senators are familiar with the proposal. I just wanted to kind of emphasize and highlight some of the things that Senator Hunt mentioned, and maybe respond to some questions. As Senator Hunt said, this is-- was at one time a federal requirement, that SNAP, then food stamps, not allowed to be going to people who have drug convictions. And it was a requirement from the federal government that the states had to comply with. A number of years after that, the federal government allowed states to opt out of that, and most states have. And as Senator Hansen asked before, oddly, it only applied to drug felonies. It doesn't

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

apply to fraud felonies. It doesn't apply to violent felonies. It doesn't apply to sexual assault, child pornography, none of those crimes. But for some reason, it isolated drugs. And at the time, if you look at the legislative history, which is discussed in the Harvard study that I'm having distributed, it's really a remnant of the get tough on drugs, on the war on drugs that was popular and strong throughout the country in the late '80s and early '90s. This bill has a little bit different approach because it applies for people who have completed their sentence and also for people who are either on probation or on parole or post-release supervision. And that's key because stapled and attached to my statement is a, a statute that requires that when a judge puts someone on probation for a drug crime, the judge has to require they do drug treatment, which will include drug testing, supervision by the probation office relating to their drug abuse. And that's similar as a matter, matter of practice for the board of parole. If someone is going to be paroled from the prison system, the parole board is going to expect that they submit to drug testing, that they submit to search and seizure and that they meet with a parole officer and comply with all the conditions. So in other words, there is going to be some supervision for at least some of the recipients of this benefit. The-- as we talked earlier before, when the states began to opt out of this requirement and allow for drug felons to get SNAP benefits-- in 2017, a, a professor at Harvard did a study that measured recidivist rate among drug felons. It looked at that. And that's the copy of the study that you have. It was a 2017 study that looked at the recidivist rate for drug felon convictions in those states that began to opt out of this requirement and let those drug felons get SNAP benefits. And there was a measurable decrease and lowering of recidivist rate almost by 10 percent for the first year of release from people who come out of the prison system. I mention that because this is a component of some of the re-entry reforms that we need to have in this state. I wanted to kind of highlight some things that were elevated last year in the CJJ report that looked at our trends in our prison system. Not only was the length of stay for prison sentences up for all types of offenses, but drug possession was a leading offense for admission in our prison system in 2020. And similarly, in 2020, 59 percent of the prison admissions had no prior prison history before. In other words, those were first-time offenders going into our prison system for admittedly relatively short sentences. But still, we have a significant number of people with drug felony convictions getting processed through our court system. If you look at the fiscal note that DHS created, they actually measured that this would impact-- or, at least they say, in the last three years,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

943 cases, almost 1,000 cases were denied due to people who had disqualifying drug convictions. So that is a significant number of people who would be otherwise eligible. And a significant number of those people do have dependents in their household. So I just want to kind of mention those things. As-- other people before, this is an arbitrary distinction as far as the selection of crime. You can have people with drug problems but simply aren't convicted and caught with drugs and they're facing other crimes like theft of catalytic converters or embezzlement or any other kind of crime. They have a drug problem, but they're not impacted by this. So I think it's time-- we would think it's time that the state remove it. And I'll answer any questions if anyone has any.

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

RIEPE: Thank you, Senator Hansen. In looking at this, do you have a feeling-- this would be your opinion-- that on a first offense you might say, OK. On a second offense-- you know, I believe in second chances, but I'm also not open to repeat offenders.

SPIKE EICKHOLT: Right.

RIEPE: And so, you know, if there are repeat offenders in the, in the drug trafficking or any other-- wherever that applies, at that point in time, I'm prepared to say, we told you up front. You had three shots at this, and you managed to screw it up all three times. So my, my sympathy has run out.

SPIKE EICKHOLT: Right.

RIEPE: How do-- how-- what-- do you have a reaction to that?

SPIKE EICKHOLT: A couple of things. First, it can be a one-time offense if you're caught with selling and distributing. That doesn't require three [INAUDIBLE]. The three times is possession. You can have repeat addicts get caught regularly. In Nebraska, we do prosecute felony-level residue cases. And what I mean by that is somebody who's arrested on a warrant, they've got a pipe on them. There's no consumable methamphetamine in that pipe, but that goes to the lab, it's a felony charge. And it is charged as a felony. Senator Wishart, before she was elected, was actually on a jury that I had involving a residue defendant. Addicts do addictive-type things. They do short-sighted things. They are in the throes of that drug. It's not uncommon for them to get one or two felonies. It doesn't require that

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

they go to prison for all felonies to be ineligible. So a first-time felony, they may just get 30 days jail. Next time, they get six months jail. Third time, they get prison. But then they're forever barred. If they want to get sober, they try to get sober, they can't get there. And I understand that reluctance is like, well, you know. Three times, you're on your own. But if they reoffend, then we are giving them everything. We're giving them food benefits. We're giving them clothing benefits. We're give them housing, healthcare. I mean, ultimately, the state's going to be responsible for people unless we help them help themselves.

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

HANSEN: Any other questions from the committee? I have one question. So, so someone gets out on parole for drug possession or drug use.

SPIKE EICKHOLT: Right.

HANSEN: And then they-- make sure I say the wording right. They violate their-- like, they violate their parole because they're found to be using drugs again, right?

SPIKE EICKHOLT: Right.

HANSEN: What happens to them, typically? They go back to jail or do they go-- is it-- like, manda-- like, I know there's mandatory counseling, think, but--

SPIKE EICKHOLT: If they are on parole and they're released to the Department of Corrections and they're caught with other drugs, for that kind of a violation, they're going to go back to prison--

HANSEN: OK.

SPIKE EICKHOLT: --immediately. And they'll probably have a separate, new criminal charge pending in whatever county they get caught in. So they had their parole revoked and they're back at RTC over there by Pioneers Park. And then they've got-- if they're caught in Douglas County, they're caught with a new felony charge there they've got to somehow deal with.

HANSEN: OK.

SPIKE EICKHOLT: If they test positive but [INAUDIBLE] was caught with drugs or they miss an appointment, they may go back to prison. It

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

depends on how well they've been doing so far. It might be a lecture from the parole officer. It might be-- particularly in a post-release supervision, it might be just a week in jail as a punishment for the first time, and then maybe 30 days after that. They try to work with them, depending on how they violated it.

HANSEN: OK. Because that might be the only-- one concern of mine is that we let them out on parole and we offer to give them SNAP benefits--

SPIKE EICKHOLT: Right.

HANSEN: --and then we ended up testing them and they, they're found out using drugs. Not on them, but, you know--

SPIKE EICKHOLT: Right.

HANSEN: --urine test or who knows what. That's where I have a little hesitancy. Like, so we know we're using-- you're using drugs. We're going to continue to still give you food stamp-- or, food benefits. I didn't know-- I used to-- I was always concerned about the process about how that works, if they go back to jail or not or how it works, so.

SPIKE EICKHOLT: I think if they go back. Their parole has been revoked and they're no longer completed with their sentence and they're no longer on parole, which means they wouldn't be able to get it anyway under the bill.

HANSEN: OK. OK. Thanks. Appreciate that. And seeing no other questions. Thank you. We'll take our next testifier in support. Welcome. It's nice to see a colorful outfit in a room full dark suits and--

RASNA SETHI: Thank you. Good afternoon, Chairman Hansen and members of the Health and Human Service, Services Committee. My name is Rasna Sethi. That's R-a-s-n-a S-e-t-h-i, and I'm the policy analyst with OpenSky Policy Institute. I'm here to testify in support of the LB88 because providing those who have served time for felon drug convictions access to SNAP-- to the SNAP program can provide food security for Nebraska's most vulnerable families and create a bridge to self-sufficiency and promote a safer, more equitable Nebraska. Economic instability defines the lives of the previously incarcerated the moment they are released to reintegrate back into their families and communities. Not only do 91 percent of returning citizens report

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

being food insecure when they're released, but the unemployment rate of the formerly incarcerated is nearly five times higher than the unemployment rate for the general US population. SNAP, however, can help lower those statistics. SNAP has a work requirement that requires unemployed participants to participate in employment and training programs for at least 80 hours a month, and failure to comply results in a loss of benefits. The SNAP employment and training program strategies include building the skills of less job-ready work registrants with the goal of promoting long-term self-sufficiency for SNAP participants. A prominent barrier to employment for the previously incarcerated is lacking education, training and skills employers seek. Therefore, allowing full access to SNAP will not only reduce the risk of-- that newly released individuals with drug convictions will reoffend, but also give them the tools that they need to be-- to gainfully be employed. Preventing access to nutritional assistance doesn't just impact the previously incarcerated individuals, but the livelihood of families. The children of previously incarcerated are disproportionately black, indigenous and people of color and statistically more likely to live in deep poverty. Living in deep poverty results in hunger, food insecurity and nutritional deficiencies, leading to poor mental health and education performance. Having the resources to mitigate food insecurity not only is an investment in Nebraskans' children experiencing these collateral consequences, but is also an investment in Nebraska's communities that also face the impacts of poverty and hunger. This measure would not cost the state any additional funds. For these reasons, we'd like to ask you to advance LB88. And I'd be happy to address any questions that you may have. And I just wanted to address a question that Senator Hansen addressed earlier and that-- the fraud rate for the SNAP program is very low. I used to work in the fraud administration for New Jersey before I moved out here to Nebraska for this position. I can get you the exact national statistics on how much fraud abuse there is in the program, but I believe it's less than 1 percent.

HANSEN: Nationally?

RASNA SETHI: Yes.

HANSEN: OK. Any-- all right. You're done with your test-- you're done with your testimony?

RASNA SETHI: Yes.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

HANSEN: Just making sure. Sorry. Any questions from the committee? I have one kind of more statistical question.

RASNA SETHI: Sure.

HANSEN: I was reading in your second paragraph. The unemployment rate of formerly incarcerated people is nearly five times higher than the unemployment rate for the United States' population. Is that another-- is that a national statistic again?

RASNA SETHI: Yes.

HANSEN: OK. And do you have any data-- you can always provide this to me later-- or statistics for those states who have not done this what the recidivism rate is maybe for those--

RASNA SETHI: Yeah. I can definitely come back to you with those statistics.

HANSEN: Because if-- just seeing that comparability-- like if their-- like Iowa and Kansas, if their recidivism rate is less--

RASNA SETHI: Yeah. I would believe-- based on the testimonies-- testimony-- sorry-- the testimony previously given, it seems like the recidivism rate is a little less in states that have implemented the extension on this felony ban.

HANSEN: I might have missed that. OK. Well, thank you. Appreciate it.

RASNA SETHI: Yeah. No problem.

HANSEN: And seeing no other questions. Thank you very much for your testimony.

RASNA SETHI: Thank you.

HANSEN: Is anybody else wishing to testify in favor? Welcome.

KAYLA TOBEY: Hello. We good to go? All right. Chairperson Hansen and members of the committee, my name is Kayla Tobey, K-a-y-l-a T-o-b-e-y, and I am a 38-year-old mother. I am here today to talk about the SNAP ban for folks with drug-related felonies. This amex-- this affects me personally because I am one of the many who are disqualified for life from receiving food stamps in Nebraska. I want to advocate for myself and others because I believe that no matter who you are or what you've

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

done, nobody should go hungry. I was federally indicted for conspiracy to distribute a controlled substance in 2006, when I was 21 years old, and I was sentenced to prison in the Federal Bureau of Prisons. I had a daughter while I was incarcerated. The first time I applied for public assistance was when I returned home after being released in 2008. Food access was very difficult for me at this time. I enrolled in beauty school, and I wanted to start a new career path where I could support my daughter and I. I graduated from beauty school, and I held a professional license as a cosmetologist. I wanted to make a better life. And I was told that because of my crime that I did not qualify for SNAP. That was just one of the many small barriers that contributed for me-- to me violating my supervised release of four years. This led to my daughter being taken by DHHS, and I was resentenced federally to another 36 months of imprisonment in the Federal Bureau of Prisons. When I was finally released in 2013, my daughter was about to turn seven years old. I was expected to get on my feet and be a mother when I had no idea how to be a functional adult. During this time in my life, access to food was very hard for me. Because I did not have custody of my daughter, so I did not qualify for public assistance. A one-person household doesn't even count as a one-person household when you're affect-- and when you're affected by the SNAP drug felon ban. I worked as a waitress. And most nights, I would eat where I worked. I would sneak food that was being tossed for having timed out or would be returned to the kitchen because it was wrong. I got written up for this, and I almost lost my job just trying to get food. And otherwise, it would be going to waste. I remember long periods of time when I would come home and the only thing in my fridge was water. I got creative with ramen noodles and mac and cheese, and I worked hard to become someone different. The following year, I had really turned things around for myself. I, I had my own home, car, job, and my daughter had been returned to me. These were some of the happiest days of my life. We struggled once again because I just made more than the SNAP income limit for one person. Even though there were two of us, we were counted as over income because I was disqualified due to my conviction. I lost my home in Hastings, and I was homeless for a time. I moved to Lincoln and I stayed at the People's City Mission until I found work and I was able to rent a place of my own. Around this time, I decided that I wanted my career path to focus more on helping folks like me. I became a certified peer support specialist. And these days, I am working towards becoming licensed in the state of Nebraska again. When I found out I was pregnant again in September of 2021, I once more had to start over. Since my shift was an overnight shift, then doctors said I

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

can no longer work overnight because it was putting strain on my pregnancy. This put my finances in a really tight spot. While I was also caring for my daughter, I was dealing with major pregnancy complications and was finally hospitalized at 29 weeks when my water broke. Affording food was a constant stressor during this time. And because of health complications, I was worried about how hard it would be to have two mouths to feed. And I had to leave work earlier than planned, and I couldn't save up like I intended. In spite of all of these difficulties, I remain grateful for the birth of my healthy baby boy. He was born 2.5 months early. Lifting this ban would alleviate a lot of financial stresses of being able to provide for my children on my own. I have a busy high schooler who actually plays football, wrestles and is on the track team and now an 11-month-old son, who's pretty much munching through a lot of food. We all know how babies and teenagers eat. SNAP would be such a helpful stepping stone to me to get the stability I need to keep my kids happy to move forward in my career. This ban doesn't help people like me whose felonies are 17 years old and we keep getting punished for our crime after serving our time. We need to help people get back on their feet, and access to food is a big part of that. For these reasons, I hope that you'll support LB88. Thank you. And if you have any questions, I'm open to answering them.

HANSEN: Thank you for your testimony. Are there any questions from the committee? So you're extra busy with a teenager and an 11-month-old.

KAYLA TOBEY: I don't advise doing it 15 years apart, but I'm doing it.

HANSEN: And you still-- you still have your hair. That's good. You haven't--

KAYLA TOBEY: Yes.

HANSEN: --pulled it out yet.

KAYLA TOBEY: I do. It's not colored, but I'm trying, so.

HANSEN: All right. Thank you very much. Appreciate it.

KAYLA TOBEY: Thank you for having me.

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

ANAHI SALAZAR: Hello. Good afternoon, Chairperson Hansen and members of the Health and Human Services Committee. My name is Anahi Salazar,

A-n-a-h-i S-a-l-a-z-a-r, and I am representing Voices for Children in Nebraska. Our state policies should support families in building a better future. Voices for Children in Nebraska supports LB88 because it strikes provisions banning certain persons with drug-related felony convictions from participating in the Supplemental Nutrition Assistance Program, or SNAP, in order to remove a barrier to stability for Nebraska children who are already vulnerable. It is estimated that 27,500 Nebraska children, or 5.7 percent of our total child population, are affected by parental incarceration. In 2017, Voices for Children released a report that consisted of Nebraskan parents who lived-- with lived experience with parental incarceration to discuss how the justice system had affected the lives of their children. Parents reflected on multiple barriers that they faced upon re-entering society, including accessing food assistance. Children of incarcerated parents are innocent, and a growing body of research suggests that children have shouldered significant costs as a direct result of decades of punitive public policy decisions aimed at their grownups. The SNAP program must be available and accessible to all who need it. Our current ban creates additional burdens for many children in our state in a time when family-- when any families-- many families-- sorry-- are struggling. LB88 can improve the program. In 2021, almost 80-- 83,000 of Nebraska households struggled to put food on the table. And SNAP continues to be the most effective antipoverty program in the nation, lifting an estimated 7,200 Nebraska family-- households above the poverty line. Food insecurity is a growing problem in Nebraska, as families are still trying to recoup from the pandemic and many families have faced additional challenges with losses of income or jobs. Excluding individuals for a crime for which they have already paid is contrary to the effectiveness of a program intended to provide temporary support during challenging times. The current ban makes the process of re-entry more difficult for parents and can have serious collateral consequences for children. Denying people access to nutrition assistance makes it hard for them to re-enter society, contrib-- contributing to inequities. LB88 would allow parents to provide for their families as they have completed their sentence or are serving parole, probation or post-release supervision, thus creating more food security for children. We want to thank Senator Hunt for her leadership on this important issue and the committee for your consideration. And we respectfully urge you to advance LB88. Thank you.

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

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

ANAHI SALAZAR: Thank you.

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

JASMINE HARRIS: Thank you. Good afternoon, Chair Hansen and members of the Health and Human Services Committee. My name is Jasmine Harris, J-a-s-m-i-n-e H-a-r-r-i-s. I'm the director of public policy and advocacy at RISE. And I ask that this testimony to be included as part of the public hearing record that shows RISE is in support of LB88. RISE is the largest nonprofit organization in Nebraska focused solely on habilitative programing in prisons and re-entry support, and our overall mission is to break generational cycles of incarceration. Our policy plan-- we are working toward successful policy and legislative changes at all levels of government that impact the daily lives of people who are impacted by the system and their families. Securing SNAP benefits to help an individual sustain life while getting their lives on track is one of the things we believe is essential to the success of people as they return home. Removing any significant barriers to obtaining life's basic necessities is a priority for our organization and the people we serve. The sole purpose of the Supplemental Nutrition Assistance Program, otherwise SNAP, is to provide nutrition assistance to low-income individuals and families. The U.S. Congress passed in 1996 the Personal Responsibility and Work Opportunity Reconciliation Act upon a two-minute debate of putting a lifetime ban on people with felony drug convictions from receiving the SNAP benefits. So that's where that came from. They also gave states the ability to opt out of these requirements, but Nebraska continues to operate in a modified version of it. Working with individuals as they are returning home after incarceration puts us in a position to witness firsthand the struggle that many encounter as they're returning home. No employment is a big barrier on its own. And with no source of income, we have individuals who now have to address other barriers, like food insecurity. Although there are food banks across Nebraska, many are concentrated in the more populated areas of the state, and we have people who release to rural areas of the state. Those individuals do not have a food bank, or the food bank has limited operating dates and times. So LB88 would remove the barrier of food insecurity for a portion of this population we work with and allow them access to food from dependable sources, like stores, that have normal operating times and quality nutritious food. Passing this bill will have many positive impacts in Nebraska, which will have an overall impact on the overcrowding, recidivism rate and growing costs of the Department of Corrections. According to NDCS, the 2022 fourth quarter population summary showed that about 13 percent of the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

population is serving a sentence due to a drug conviction. That would add possibly another 720 individuals to the numerous individuals and families already subjected to food insecurity when they return to the community. There is no connection between a drug law violation and food and other forms of assistance provided by SNAP. Denying food and basic assistance because of a past drug conviction has no public safety or crime-deterrent value. Instead, enforcement of the ban only compounds hunger and poverty that contribute to enormous barriers to successful transition to the community. Denying food assistance to people who have completed their sentence may contribute to high rearrest rates, which are up to 50 percent for people who-- with prior drug offenses. Research also shows that recently released individuals incarcerated for a drug offense are 10 percent less likely to recidivate when provided full access to benefits such as SNAP. Plus, we also have a growing elderly population releasing from prisons. As individuals age and are faced with health conditions that do not allow them to hold full-time employment with benefits, they are now faced with not being able to secure food. We must rethink the long-term consequences of a lifetime ban on benefits. People who have paid their debt to society come home, are productive members of communities and still have a lingering, arbitrary sentence on their life. Along with time changing, our policies should change when we have found that they do not support the original arguments used to put them in place. And for these reasons, RISE supports LB88 and asks that the committee members vote this bill out to General File. Thank you.

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

JASMINE HARRIS: Thank you.

HANSEN: Thank you for coming. We'll take our next testifier in support. Welcome.

CINDY MAXWELL-OSTDIEK: Thank you. Good afternoon, Chair Hansen and members of the Human Resources and Health Committee. My name is Cindy Maxwell-Ostdiek. That's C-i-n-d-y M-a-x-w-e-l-l-O-s-t-d-i-e-k. And I'm a mother and a small business owner. I'm a volunteer and a taxpayer. And I'm a cofounder of the Nebraska Legislative Study Group. I want to thank you for holding this hearing open today for all who come to testify. It is unfortunate this committee denied Nebraskans the chance to testify at previous hearings this session, and we think it's important to call attention to this privilege and responsibility. We wanted to register our support for LB88 to change provisions related to eligibility for Supplemental Nutrition Assistance Program benefits.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

I recently ran for Legislature in District 4, which is west Omaha, and this particular policy was something I visited with many neighbors about. I had made public, public comments in support of Senator Hunt's previous version of this bill, and the topic was something included on fliers that were mailed to many of my neighbors. And so this question came up often while I was campaigning. There were many voters who, of all parties, were shocked to learn that our state limits access to food assistance for any criminal record, let alone for only a select group of people. There was upset then, even, to learn that there's a lifetime ban. And many of my, of my neighbors were worried about hungry children in these families. We wanted to thank Senator Hunt for bringing this important legislation and ask you to pass LB88. Nebraskans of all parties and good conscience do not want their struggling neighbors or their families to be hungry.

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

CINDY MAXWELL-OSTDIEK: Thank you.

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

KATIE NUNGESSER: Thank you. Good afternoon, Chairman Hansen and the members of the Health and Human Service Committee. My name is Katie Nungesser, spelled K-a-t-i-e N-u-n-g-e-s-s-e-r. I'm here on behalf of the Food Bank of Lincoln and the Food Bank for the Heartland to request your support of LB88. Combined, our two food banks cover the entire state of Nebraska. We are supporting LB88 because it addresses the restrictive policy that enforces lifetime bans from SNAP for food-insecure neighbors with past drug convictions. It also eliminates inconsistent and unnecessary barriers for those who should be eligible under the current policy but are wrongfully denied. The Food Bank of Lincoln participates in a community-based SNAP outreach collaborative. This collaborative traditionally completes almost 11,000 SNAP applications per year, many of those in rural areas. I compiled some data about neighbors who applied through this collaborative from 2018 to 2022 and were denied under the current SNAP policy about drug convictions. I would like to note that the number of neighbors unable to access SNAP due to their conviction is likely much greater than our numbers and the state data reflects because these individuals are often, are often encouraged not even to apply and aren't tracked in this data. We found that 29 percent of applicants denied due to this SNAP drug felony ban were 60 years of age or older. 29 percent were homeless at the time of their application. 12 percent were determined disabled by the federal government. 3.4 percent were veterans. And 57

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

percent were extremely low income, which means their monthly income was less than the cost of their monthly rent. I have seen firsthand many of the people who are not applying for SNAP because of the policy or have already been denied under the policy are from rural areas, and it is an aging population. Just like the case of a grandmother I met in western Nebraska, many of these people are years or even decades out from their conviction. And I'd like to share her story. Due to a serious accident, this grandmother had become disabled and was providing for herself and grandchildren on just SSI, which, at the time, was around \$700 a month. She was receiving SNAP and scraping by to meet the needs of the children. 10 years into receiving SNAP with two preteens and a second grader to feed, her SNAP benefits abruptly stopped. In 1997, before she was raising grandkids, she had received a felony possession conviction for a small amount of marijuana. For years, the state had missed this felony when processing her SNAP even though she was honest on, at the time, 16-page paper application about her conviction. Oh, she was honest about her conviction. Excuse me. She not only lost her SNAP. She was also-- received a letter asking her to pay back thousands of dollars to the state for the SNAP benefits that she did receive. She immediately went and applied for SNAP for just the children and was wrongfully denied because the worker misunderstood the current policy. In appeal, she was told she could receive SNAP if she completed drug treatment, which is the policy for someone with a possession conviction. A nonprofit fit her in for a drug and alcohol evaluation months later. But because she had not used drugs or alcohol since 1998, her evaluation showed no need for educational classes or treatment. A copy of this evaluation was received by the state. They still enforced that she could not get SNAP until she completed treatment. To be clear, if she was in active addiction, she could get treatment and get SNAP within months. Because she had not touched drugs or alcohol for over-- for almost 20 years, she was denied treatment and therefore denied SNAP. I have tried for years to navigate the SNAP policy with Nebraskans from every corner of our state. Its failures extend far beyond this grandmother's story. There are people who qualify for SNAP under this current policy but cannot receive benefits because they went to treatment years ago at a center that no longer exists, making it impossible to even get a copy of their drug treatment certificate and therefore impossible to receive SNAP. We are asking you to support LB88 because it will provide more access to food resources for Nebraskans in need, especially neighbors in rural areas with limited access to pantry networks and agency supports. I welcome your questions.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

HANSEN: Thank you. Are there any questions from the committee? All right. Seeing none. Thank you for coming. Is there anybody else wishing to testify in support?

ERIC SAVAIANO: Hello. I am-- thank you for allowing me to speak, Senator Hansen and 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 am the Economic Justice Program manager for Food and Nutrition Access at Nebraska Appleseed. We're a nonprofit, nonpartisan legal advocacy organization that fights for justice and opportunity for all Nebraskans. And I'm here to testify in support of LB88. I'll keep my testimony very brief. You've heard from many testifiers who know more than I do about their constituents and for the folks they serve. But I did want to clarify the way the ban hurts families specifically, since that is an important part of this. When a person is banned from SNAP under this law, it is like they do not exist, but they actually do exist in another way. So if a household is a group of four people-- just as an example-- they receive benefits for the amount of household members of three. So they, they're-- they disappear in that way, and that reduces the amount of benefits. The other way it reduces benefits is that the person, the person whose ban's income does go toward that household's net calculation for benefits. So the income that is, is, is created from that individual who does not exist, according to DHHS, in another way reduces that SNAP benefit as well. So in reality, that means that families are sitting around the table with a smaller amount of, of benefits and less food overall for that family. That's the way it hurts families in general even more. With that, I will encourage this body to advance LB88. And take any questions if you have any.

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

ERIC SAVAIANO: Thank you.

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

ALICIA CHRISTENSEN: Good afternoon, Chairperson Hansen and members of the Health and Human Services Committee. I'm Alicia Christensen, A-l-i-c-i-a C-h-r-i-s-t-e-n-s-e-n, director of policy and advocacy at Together. And my-- the handout kind of reiterates what has been raised here really well by others, but I think it's important to periodically reevaluate our programs and policies to make sure that they're working. And in the 20 years since this policy was enacted, we have new research. We have seen for our own-- with our own statistics in

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

our own state about the effects of recidivism, the importance of ensuring that basic needs are met for these individuals and their families, and how that is having a pos-- making sure that they have those needs met has a positive effect. And so I, I think LB88 encour-- makes this evidence-based policy adjustment that we need to, to do to increase self-sufficiency, decrease recidivism, and then have this strong communities that incorporate these individuals back into it. So I just wanted to quickly go, like, legal nerd on this as well because I think it's important to point out for-- and addressing issues of, of people that have three felony convictions or the issue raised that-- of, of people that violate parole and just the idea of collateral consequences and where they fit in sort of the legal protections afforded within the criminal system. You are probably familiar with the-- there's a lot of amendments-- constitutional amendments that protect your legal rights, where you get to know what the charges are or what the consequences are before you plead to anything. And a lot of these things, like this policy, are called collateral consequences because they're not your court-imposed sentence. So you can be done with that sentence but still have these collateral consequences follow you for the rest of your life. But you're not informed of those when you're negotiating-- when your attorney is negotiating a plea deal. The defense counsel has no obligation to inform you of the range of collateral consequences that you might be subject to. Brady says that you have to make these pleas, you know, with full knowledge and you can't waive constitutional rights unless you know what's going on. So by classifying these collateral consequences as civil disabilities, that's how you get around those kind of constitutional protections. Those aren't implicated in these matters. But to do so, they're supposed to have some sort of tie to a protection of the public safety. There's some sort of reason for them to be there. And what you find as, as-- the war on drugs are different motivations for these punitive-- what they end up being is punitive because there is no public safety correlation to refusing supplemental income for people who need to buy food. That doesn't help them. It's, it's not related. So-- whereas, like, a sex offender registry obviously has a public safety correlation to what the crime is. The offense and the civil disability are, are logically connected. And a lot of these where, you know, you-- there's bills here introduced that have been about limits to occupational licensing and those kind of things. Those are similarly kind of divorced from what the, the civil protection is. So they can only be classified as punitive. So I think that it raises a possibility of, of legal questions of whether or not it's constitutional to impose these without informing defendants these full

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

range of, of consequences that they'll face. Because you-- these can be imposed after they've been sentenced. So if you passed a law that affected individuals this way, it would affect people that were convicted last year and 20 years ago in-- a lot of sex offender registry laws and stuff like that works, which violates the-- would otherwise violate sort of the ex post prohibition that's in the Constitution. So I think that's something important to consider. And that also goes-- kind of speaks to, I guess, maybe in a roundabout way, about why the-- it's still important even for people who have three convictions or who have trouble maintaining their-- the conditions of their parole. I think there is some really serious legal constitutional implications that we should consider too. But thank you for hearing me out. It's a, it's an interesting topic for me, so I appreciate you indulging me in that. And if you have any questions, feel free to reach out and let me know. I'm happy to provide more information, information.

HANSEN: All right. Thank you for your testimony.

ALICIA CHRISTENSEN: Yeah. Of course.

HANSEN: Are there any questions from the committee? I had one. I've got to think of what it was because it just left my head. Oh. Do any states have a time limit on SNAP benefits for felons or for people, like-- similar to this? So they didn't say, OK. Now you're eligible just like everybody else. But, say, because, because you've been convicted of these crimes, you're eligible, but for six months.

ALICIA CHRISTENSEN: Um-hum.

HANSEN: Is that-- do any other states do that at all?

ALICIA CHRISTENSEN: Not that I know of. And I think the beauty of SNAP, really, is that it's a responsive program. So it's really there only for that period of time that you need the assistance. And once you make enough, you're not eligible anymore. So it's kind of nice in that you can just sort of set it and forget it, you know? Because that-- you're not going to be getting benefits perpetually because they're, you know, the-- you're setting that foundation that they'll be able to work themselves out of and then have-- foot their own grocery bills.

HANSEN: OK. Because-- I think it's-- if I remember right-- and we've heard this before, and that's one of the concerns I've heard from

opposition. And one of the reasons why those who are-- and especially in distribution, drug distribution-- is that they are making income but they're not reporting it, so they're still eligible for SNAP benefits. And so I think there was a concern about-- you, you know what I mean? So, like, you're saying it's income-based, right?

ALICIA CHRISTENSEN: Um-hum.

HANSEN: And they need it. But those who are selling drugs don't report their income--

ALICIA CHRISTENSEN: Right.

HANSEN: --and so they have money. And so they don't actually need SNAP benefits, technically, but we're still giving it to them. And so-- if I remember right, I think that's one of the concerns that our opposition previously-- because we've heard this three years, I think. And so I, I think that's-- one of the reasons why I asked that is, like, sometimes-- maybe a time limit on that might say, yeah. We're going to help you get on your feet-- I don't know. I'm just trying to think of a middle ground.

ALICIA CHRISTENSEN: No. I, I mean, I think that-- I guess-- that-- there's just-- I don't know that you can control for the-- I, I just would be interested-- I could think of magical stories-- not magical stories. Not to, like-- your hypo is, is completely valid, but that-- you can always think of possible-- this outlier case or, or 5 or 20. And, and I think that that certainly could happen-- it's possible that it could happen. But I don't know that, on balance, it's worth the effects, not just to the individuals but for the communities at large where this is harming families and increasing recidivism. And, and I think it, it, it goes against the state's goals based on the evidence that we have of, of large-scale, comparative populations of who has access to benefits and who doesn't. So I think, I think that, that there always could be, though, what if someone abuses the system, you know? But I think, to a certain extent, you have to weigh that against the good it can do.

HANSEN: Yeah. I think, I think-- and I think Senator Hunt made a good point in her opening when she talks about, we don't apply the same, you know, instance to those who have committed fraud or embezzlement, right? Same kind of thing.

ALICIA CHRISTENSEN: Um-hum. That's-- yeah.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

HANSEN: OK. All right. Any other questions? Just to make sure. OK.

ALICIA CHRISTENSEN: Thank you.

HANSEN: Seeing none. Thank you. Are there any-- anybody else wishing to testify in support? All right. Seeing none. Is there anybody who wishes to testify in opposition to LB88? Welcome.

SHANNON GROTRIAN: Hello. Good afternoon, Chairman Hansen and members of the Health and Human Services Committee. My name is Shannon Grotrian, S-h-a-n-n-o-n G-r-o-t-r-i-a-n, and I am serving as the interim deputy director of programs and services for the division of children and family service within the Department of Health and Human Services, DHHS. I am here on behalf of the department today to testify in opposition to LB88, which will change the Supplemental Nutrition Assistance Program, or SNAP, eligibility for individuals with a controlled-substance-related felony. Under federal law, the Personal Responsibility and Work Opportunity Reconciliation Act, known as PRWORA, bans individuals with felonies related to controlled substances from receiving SNAP benefits. PRWORA allow states to modify the ban through an act of legislation. Currently, Nebraska has statutory exemptions to the ban. Under this statute, individuals are eligible for SNAP provided they, number one, have less than three felony convictions for controlled substance use or possession; and, number two, have completed treatment after the date of their conviction. Individuals with three or more such felonies, as well as those convicted of the sale or distribution of a controlled substance, are ineligible for SNAP. According to the May 2018 United States Department of Agriculture, or USDA, State Options Report, four states have a lifetime ban; 22 states, including Nebraska, have a modified ban; and 24 states have no ban on individuals with a controlled-substance-related felony. When a household member is ineligible due to a controlled-substance-related felony, other household members, including children, are still eligible to receive SNAP benefits if they meet all other eligibility requirements. For a household with two adults, one of whom is ineligible to-- due to a controlled-substance-related felony, the other adult and any children could still be eligible. For example, if the household size is four, one of the members is ineligible, benefits would be calculated for the three other household members. Over the last three years, DHHS has denied an average of 943 SNAP applicants related to controlled-substance abuse-- or, excuse me-- substance-related felonies. LB88 would change Nebraska's modifications to, number one, remove the restriction upon the number of felony convictions; number

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

two, remove the requirement for the completion of treatment; and number three, the restriction of those convicted of sale or distribution. The goal of treatment-- excuse me-- the goal of the treatment requirement is to help individuals return to productive functioning within their family, workplace and community. The department is supportive of those striving to overcome substance addiction and believes completing treatment is one of the ways to do this. Therefore, the department opposes removing this requirement for SNAP eligibility as well as the expansion of eligibility to dealers and habitual offenders. DHHS respectfully requests that the committee not advance this legislation. Thank you for the opportunity to testify today. I'd be happy to answer any questions.

HANSEN: Thank you. Are there any questions from the committee? I have a couple questions.

SHANNON GROTRIAN: Sure.

HANSEN: In one of the paragraphs you mentioned-- if a household size is four and one of the member is ineligible, benefits will be calculated for the other three members?

SHANNON GROTRIAN: Correct.

HANSEN: Is that-- is it a household of four that three would be calculated? And does it affect their benefits at all?

SHANNON GROTRIAN: So--

HANSEN: Like, would they get less benefits?

SHANNON GROTRIAN: Potentially. I mean, every household is looked at based on a number of eligibility requirements. So if that household has an individ-- it's an individual disqualification. So just the individual's disqualified from receiving benefits. It would not impact the qualifications of the other individuals.

HANSEN: Not so much the qualifications, but how much they get.

SHANNON GROTRIAN: That's hard to estimate because each household has a different set of circumstances.

HANSEN: OK. Just curious. And I'm-- what's your main opposition? I'm trying to-- because I think you went through the bill but-- and I think at the end, you kind of get to it. The goal in the treatment

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

requirements is to help individuals return to functioning. And your support of the substance addiction [INAUDIBLE] complete treatment is one of the ways to do it. So is it the treatment part of the bill?

SHANNON GROTRIAN: Right.

HANSEN: OK. Do they receive treatment? Now, when you say treatment, what do you mean? Just to make sure I'm, I'm understanding it right.

SHANNON GROTRIAN: Treatment for substance abuse.

HANSEN: Like going to a program?

SHANNON GROTRIAN: Correct.

HANSEN: Can they do that in-- while they're in jail or in prison, complete the treatment program?

SHANNON GROTRIAN: I believe that they can.

HANSEN: So if they complete it in jail or in prison and they get out having completed that treatment, would you then be in favor of it or no?

SHANNON GROTRIAN: Well, I'm testifying today based on what is currently in the legislative bill. If it was amended, we'd be happy to look at that amendment.

HANSEN: OK. I'm just kind of curious to get an overall kind of idea of opposition--

SHANNON GROTRIAN: Um-hum. Yeah.

HANSEN: --and, and people in favor, so. All right. Any other questions? Yes, Senator Hardin.

HARDIN: Thanks for being here.

SHANNON GROTRIAN: Thank you.

HARDIN: Someone earlier testified that it sounds like it was a little easier to get nuclear codes than to try to get this sorted out in terms of a 20-year-old conviction and so on and so forth. Can you just kind of speak generally to-- that sounds like a strange exception. I'm sure it was not the norm. But it sounds like it was quite frustrating for that person to go through. Is this accessible? Is it something

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

that someone can touch and challenge or change or is, in fact, that a more common thing than we wish it was? Do we need to make this easier to get the benefits even if you had a 20-year-old drug conviction? And then you can't seem to get recertified and you're told on the one hand you're-- you don't need the certification because it was 20 years ago. And then you still get a dismissal of your request. Is that a common problem or--

SHANNON GROTRIAN: I, I don't know how common that scenar-- specific scenario is.

HARDIN: I see. OK. That's-- my concern as a committee member is, do we have the notion of a program that helps people or do we actually have a program that helps people? Does that make sense?

SHANNON GROTRIAN: I think so.

HARDIN: OK.

SHANNON GROTRIAN: Can you repeat the, the question?

HARDIN: Yeah. Does our program work or not? Or have we made it inaccessible?

SHANNON GROTRIAN: I believe the SNAP program works, yes.

HARDIN: OK. Thanks.

HANSEN: Senator Walz.

WALZ: Thank you, Chair Hansen. And this may be the question that you asked, and I didn't get a clear answer. So are you saying that if the person has completed treatment that then you would be more in favor of them receiving SNAP once they've retrie-- received the treatment? Is that what you're saying?

SHANNON GROTRIAN: Well, the, the current eligibility requirements are that they complete treatment after the date of conviction if they've been convicted of one or two felony convictions for use or possession. So in that scenario, yes, they would be eligible.

WALZ: If they've had one or two convictions.

SHANNON GROTRIAN: Right.

WALZ: OK. All right. Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

SHANNON GROTRIAN: Um-hum.

HANSEN: Any questions? Seeing none. Thank you.

SHANNON GROTRIAN: Thank you.

HANSEN: Anybody else wishing to testify in opposition to LB88?

LINDA VERMOOTEN: Good afternoon.

HANSEN: Welcome.

LINDA VERMOOTEN: My name is Linda Vermooten, L-i-n-d-a V-e-r-m-o-o-t-e-n. [INAUDIBLE] the former testifiers brought some of the same things that I was bringing forth. Because when I was looking at the wording that's proposed to be changed, they wanted to extrapolate the treatment requirement. And so, speaking as a mental health practitioner, I know how effective the mental-- having that evaluation and treatment can be to helping people with substance abuse rehabilitate. And, often, they never go back. Sometimes they go back and then they go back into treatment but they have learned skills that they didn't have beforehand. In answer to one of the questions that was asked, also worked with the corrections system in Lincoln for some time down there. And they have a treatment program that seems to be very effective within the incarcerate-- within the prison system that the inmates are allowed to take if they would like to. So there is that opportunity. So that was-- my concern with the bill is mainly that if we're going to take the treatment out, we're going to send them out without giving them additional skills to help them prevent them from going back into such behaviors. And it's not like a one-time offense. When I'm reading the wording, it's like it's the second or third or more offenses. So going back to what Senator Riepe was saying, that was part of my objection too. It's like, OK. One time, we understand, you know. A second, hmm. But when you get into your third, fourth, fifth, et cetera. And then if you don't require them to have treatment, are they ever going to be able to get away from this? Are they ever going to have better coping skills? Because if they come out and they go back in the same environment, what we know about substance abuse is they often then get pulled back in again because those are their friends or those are their family and they're using. And boom, they're back in again. So, you know. It, it seemed like this was a consequence to a behavioral choice. However, I have to say that Senator Hunt made a compelling point and almost changed me to neutral in the beginning because I was not aware of the fact that this is only

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

applied to this narrow group of felons. You know, I thought it was applied to everybody equally. And so-- then I would not be a strong opposition. But I'm just saying that, you know, if you are selling drugs, you do have money. You can buy things that you need, but they're not reporting that income. So back to that same point, point that you were making a little bit earlier. So then why do they need SNAP when there are other people who don't qualify for SNAP and desperately need SNAP but they can't qualify because of what they made a few months earlier? Although maybe now due to a health condition, they can't get SNAP. So I thought that's a consequence to behavior. And I think in society, we're not doing a good job helping people understand there's punishment and consequences. So another consequence often for felons is that they not able to vote as a consequence to their actions. So helping people understand-- because if we remove all consequences, then do we help people be corrected for what it is that they've offended on? So I would be in opposition because of those reasons and-- yeah. I think she said the rest of what I was going to say. Thank you very much for your time.

HANSEN: Thank you. Are there any questions from the committee? Seeing none. Thank you for coming to testify.

LINDA VERMOOTEN: Thank you very much.

HANSEN: Anybody else wishing to testify in opposition to LB88? All right. Seeing none. Is there anybody who wishes to testify in a neutral capacity? OK. Seeing none. We will welcome Senator Hunt back up to close. And for the record, we did have some letters. We had 28 letters in support and 5 in opposition and 0 in the neutral capacity to LB88.

HUNT: Thank you, Chairman Hansen. I could tell by some of your questions and some of your, you know, questions of proponents and opponents that you were teasing out the answer to what I'm going to give you here, which is the way that punishment works right now is that someone gets a drug conviction and the courts mandate their sentence. They say part of that is treatment, part of that is testing drug-- being tested for drug use and things like that. And what this law does as it stands right now is it brings HHS in as basically a carceral part of our system. It brings HHS in as part of our judicial system, where they're there to provide services to people, not to be doling out punishments. People who would be impacted by LB88 have already gone through that, that lane. You know, they've already been through the government lane of punishment, and now maybe they are in

the government lane of trying to get assistance. And maybe they're not. You know, this wouldn't affect every person who's released from prison or every person who has a former drug conviction. You know, not everybody comes out of prison and needs food assistance. It's just the people who do, like Kayla, who we heard from as a proponent of this bill. And this is something that, over the years when I've introduced this bill, has been echoed by police officers who have come in in support in this bill in the past, the Catholic Conference and different religious organizations who have come in in support of this bill in the past. And another problem with DHHS's opposition is talking about the requirement for people to get treatment who have past drug convictions. Again, think about the testifier-- the proponent testifier, Kayla, who came up here earlier. She doesn't need drug treatment. She is not a drug addict. Not everybody who distributes drugs or is in possession of drugs is a drug addict. And part of the reason that the way DHHS's requirements work now, are so difficult for people to get around is because if someone like Kayla was eligible for SNAP but she had to go through drug treatment, she probably wouldn't be able to get into a drug treatment because she doesn't have a drug problem. So, like, what are we supposed to tell these Nebraskans who aren't even able to meet the requirements that DHHS has put forward? We also know that treatment only works if it's actually accessible. And we've heard from treatment programs all over the state that they have long waitlists, they have a lot of different inpatient requirements-- for example, you know, requirements that someone like Kayla would not be able to meet. They have insurance requirements sometimes, which can make access impossible. And we've also heard from people who are currently incarcerated and people who work within our prison system who say the treatment program that they have in the system isn't even accessible to everybody. So that's one point. But the important thing that I want you to understand is that when someone is sentenced for parole, probation or post-release supervision who has a drug conviction, drug treatment is part of that-- part of the terms of being compliant with parole, probation or post-release supervision. So under LB88, it says that, you know, somebody with a past conviction can apply for SNAP. Doesn't say they're going to get SNAP. It says they're eligible to apply if they are compliant with terms of parole, probation or post-release supervision, which includes drug treatment, or they've served out their entire sentence. And then that would also scoop up the people like Kayla who, you know, was convicted 19 years ago and is still on hard times because of laws like what we have today that I'm trying to fix. I feel like I've had marbles in my mouth the last couple of days,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

like I'm maybe not being as clear as I can be and not at my best oratorally. But if any of you have any questions about what I just said or if I can clarify anything else, please let me know. I just want to make that point.

HANSEN: Are there any questions? Yes, Cavanaugh.

M. CAVANAUGH: Thank you. Thank you, Senator Hunt. I'm sorry I missed the testimony. But I was just reading the testimony that was provided by the department, and first comment: that it's not appropriate for departments to come in opposition to bills. They should be coming in neutral. This particular opposition, which you probably heard them read their testimony, is confusing because they just explained what the bill does and then at the end said, and we're opposed.

HUNT: This is what I'm trying to say. I, I don't understand the nature of the opposition because they're saying their opposition is because the department is supportive of those striving to overcome substance addiction and believes completing treatment is one of the ways to do this. Therefore, we oppose da-da-da. So therefore, it's because they want people to get treatment. Well, under LB88, they would get treatment.

M. CAVANAUGH: Right.

HUNT: Or they don't need treatment, so they won't get treatment. But it's--

M. CAVANAUGH: So they just don't understand the bill.

HUNT: I mean, I just think they-- I-- who can say? I don't know. I can't get in their head.

M. CAVANAUGH: That's all right. You don't need to get in their head.

HUNT: I don't know.

M. CAVANAUGH: I just wanted to put that in the record. But I disagree with state agencies coming in opposition to bills and not helping us make bills better, but just telling us, no. So thank you for bringing this bill continually. Maybe this will be the year.

HANSEN: Any other questions from the committee? It seems like this, this has the potential to at least come to some kind of, I don't know,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

recourse between the department to make the bill at least better according to them. I don't know. Is it--

HUNT: Yeah. I'm always open to suggestions. I mean, sometimes this comes from the top and it's not even about the bill. And we all know what I'm talking about. But if there's any good faith, actual things I can do to improve the bill, of course I'll do that.

HANSEN: All right. Well, thank you for your testimony.

HUNT: Thank you.

HANSEN: All right. And I'll close the hearing for LB88. And we will now open up the next hearing, which is LB85. And welcome, Senator Day.

DAY: Thank you.

HANSEN: Is that chair short?

DAY: I mean, I know, I'm short. But, like, I feel like I'm like. It's fine. I'm used to it. My feet don't touch the floor either, so whatever.

HANSEN: Senator Halloran brings a pillow with him--

DAY: A pillow and then a stool I should put my feet on.

HANSEN: --that he sits on. Yeah. It's great.

DAY: Good afternoon, Chairman Hansen and fellow members of the Health and Human Services Committee. My name is Jen Day. That's J-e-n D-a-y, and I represent Legislative District 49 in Sarpy County. I'm here this afternoon to introduce LB85 and continue the conversation that we've been having for over a year now about implementing Express Lane Eligibility in Nebraska, which, in practice, allows the state to take SNAP program data and take that data to make program determinations for children for CHIP and Medicaid. When kids have access to health insurance through Medicaid and CHIP, the positive impacts are evident in that child's life, in their family and in the community. Kids with health, health insurance receive more regular age-appropriate treatments and preventive care. Families with insured children are more financially secure and economically productive. Ensuring kids have health insurance also supports our state's hospitals and providers by reducing the costs of uncompensated care and providing effective and efficient coverage to kids who need it. Express Lane

Eligibility is a federal program that allows the Medicaid and-- that allows Medicaid and CHIP to use eligibility information from other programs to make automatic eligibility decisions and enrollments in coverage for children. This, in turn, makes it easier to enroll eligible children in healthcare coverage, enabling them to access essential care like annual wellness checks and doctor's visits in the case of illness. Under LB85, Express Lane Eligibility would automatically enroll eligible children who are receiving Supplemental Nutrition Assistance Program benefits in Medicaid or the Children's Health Insurance Program, or CHIP, health coverage. SNAP is a natural fit in this program because it has lower income thresholds than CHIP and some Medicaid programs. This means that Nebraska kids receiving SNAP benefits are generally income eligible for Medicaid or CHIP. Additionally, SNAP, Medicaid and CHIP applications are-- collect overlapping information from enrollees. LB85 takes the information we already have for coverage the Legislature has already authorized and makes sure that kids aren't missing out on coverage because of things like technicalities, parents outright forgetting or parents making mistakes on applications. It's also a matter of efficiency. You would never build a system like this in the private sector that would make you refile the same information when you can reduce the hassle for applicants as well as HHS itself by streamlining these processes. What's more, the federal government encourages participation in Express Lane Eligibility, and the funding involves a 50/50 federal-state split. So after the initial upfront implementation costs in year one, the, the only state costs in the fiscal note associated with the program are the \$36,000 to cover the state's half share of one full-time employee to handle reporting and quality control. In addition to the desire to have a more streamlined government, there's another larger issue: our state's participation in children's health insurance is lower than it should be. If you look at the chart on the fact sheet, in 2008, Nebraska had the 19th lowest population of uninsured children and had a rate significantly lower than the national average. As of 2021, Nebraska ranked 31st. While much of the country had made strides in this area, we had fallen out-- we had fallen right around the national average. Looking at that chart, 15 years ago, we were far ahead of the pack, and now we're average on good years and other years below average. Fortunately, the Express Lane option in LB85 provides an opportunity to capture some of the children who are currently falling through the healthcare coverage cracks and get them enrolled in programs to which they are already eligible. As some of you who were on the committee last year may recall: last session, I brought LB857, which would have implemented

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

the same program. Last year, during LB857's hearing, DHHS provided a timeline of April 2022 iServe portal to be, in their words, rolled out with ongoing improvements to enhance users' experiences in the future. In September, ahead of the LR360 hearing, HHS clarified the timeline moving forward, with the caveat that completion dates for all launches are currently being determined. At the moment, the timeline for iServe is as follows. Launch one, which went active on April 22, launched the iServe portal homepage, which routes users back to the ACCESSNebraska website. In launch two, a select group of community partners will receive a new link to use a single application that will cover both Medicaid and economic assistance programs when helping applications at their location-- when helping applications at their locations, excuse me. The target date for completion is late spring to early summer 2023. For launch three, the department outlined that the iServe portal will go live for all Nebraskans, but only a certain number of applicants will be accepted each day to monitor bandwidth and performance. After the maximum number of applications are received, remaining applications will be routed back to ACCESSNebraska. There was no target date included for launch three. The fourth launch is iServe going full live, and it also did not include a target date. As of this morning, the public-facing applications in iServe remain a landing page that goes to ACCESSNebraska. What's particularly frustrating is that we've now sat here for a year still with no firm date for final iServe implementation, and we're past LB857's original imple-- implementation date, which would have required Express Lane Eligibility to be functional on January 1, 2023. I don't bring any of this up to criticize DHHS. However, it should highlight the opportunity that we have in front of us with LB85. It's not a question of iServe or ELE. It's a question of how many years we're going to allow technicalities to prevent certain kids from receiving CHIP when we have the tools in front of us to fix it. None of us are saying that these kids shouldn't have healthcare. This is about eliminating the artificial barriers that are needlessly preventing implementation of programs we've already authorized. It's easy for us to sit here in this hearing room and say that it will only be two or three more years until another program is functional. But for the kids who have the misfortune of falling into this gap through zero fault of their own, this is very real. It's missed checkups. It's not going to the doctor when they're sick. And it's not getting prescriptions filled. So it's my hope that we can seriously look at this option that we have in front of us again with LB85. And I'm happy to answer any questions.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

HANSEN: Thank you. Are there any questions from the committee? None yet.

DAY: I will add that DHHS has-- I, I am not going to be able to close-- well, I'm going to try to come back and close. I have to go to Judiciary and close. So if I can make it back for this, then I will. Otherwise, I will waive my closing.

HANSEN: OK.

DAY: I think they may be here today to testify. They have tried to work with us on this. And we did agree to have a late hearing date on this bill because they wanted to work on iServe and get us some data. They did email us, I believe, at the beginning of this week to give us a demonstration on iServe. We haven't had the time to do that, obviously, this week. But if they can come up with a solution for the problem that's going to be a little more short-term than long-term, we're happy to continue working with them. Otherwise, we feel like implementing ELE would be a, a much better option because it provides a more immediate response to the problem.

HANSEN: All right. So just to make sure, are there any questions? Yes, Senator Walz.

WALZ: This may be an, an answer that's easy-- and I don't understand it, but I'm going to ask it anyway. So when you apply for Medicaid-- and maybe you don't have the answer, but if you do-- if you apply for Medicaid and CHIP, are those two separate applications right now? Do you know?

DAY: I don't know.

WALZ: OK. I'm just wondering if the-- if they are two separate applications--

DAY: I don't think that they are. I may be wrong on that, but I don't think that they are.

WALZ: OK. I'll ask somebody else.

DAY: OK.

WALZ: Thanks.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

HANSEN: Any other questions? All right. Seeing none. we'll see you at close. Maybe. I don't know.

DAY: Maybe.

HANSEN: We'll see.

DAY: Maybe.

HANSEN: Sort of.

DAY: Thank you.

HANSEN: Thank you. All right. We'll take our first testifier in support of LB85. Welcome.

GARRET SWANSON: Thank you. Chairman Hansen and members of the Health and Human Services Committee, my name is Garret Swanson, G-a-r-r-e-t S-w-a-n-s-o-n, and I'm here on behalf of the Holland Children's Movement in support of LB85. Senators, about a month ago, I came before this committee in support of LB326, a bill by Senator Raybould to change Medicaid eligibility laws in Nebraska. At that time, I handed out a packet to each committee member that included nearly 60 pages of research about legislation that could improve the health of Nebraskans through commonsense changes to Medicaid. LB85 is one of those commonsense proposals outlined in that report. I believe all the members of this committee understand the importance of children receiving healthcare, so I want to talk about the financial aspect of Express Lane Eligibility, or ELE for short. Implementing ELE means government agencies in Nebraska will work together to make sure children who are enrolled in SNAP are automatically enrolled in Medicaid or the Children's Health Insurance Program. One state that has already implemented, implemented it, implemented it successfully is Louisiana. Louisiana, one of the first states to make ELE automatic, has experienced tremendous results. According to the federal Government Accountability Office and the Urban Institute, it cost Louisiana almost \$600,000 to implement ELE. That might sound like a lot of money, but that investment ended up saving them millions. According to the Urban Institute, for every dollar spent on initial administrative costs, Louisiana Medicaid program saved between \$15 and \$22 in administrative savings. According to state officials in Louisiana, at the time of implementation, it took about \$116 to process applications through Medicaid through the traditional route. Through the ELE process, that cost plummeted to anywhere between \$12

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

and \$15 an application. States like South, South Carolina have also reported a massive amount of savings and success. ELE has been so successful in Massachusetts they've recently sought and received a waiver to expand ELE to adults and not just children. So yes, Senators, there is a fiscal note to this bill. And in our research, we will-- we determined that there will be an initial cost. But at the end of the day, passing this bill will not only mean more children will get access to critical health, healthcare services, but it also means the state will save money while doing it. Our report lists dozens of sources for senators on this committee to conduct their own research on ELE or our two other proposals. We thank Senator Day for bringing this legislation forward, and we strongly urge it to be voted out of committee. And to sum off my reading here: I think one of the most important words in how the bill is actually written is the word "automatic." We've seen, in our research, different results with states that have that automatic ELE and nonautomatic ELE. And in nonautomatic states, people have to reapply every year. They get a card in the mail and say you qualify, but they still have to go through the process of actually filling out the application, going through the work and receiving that. And those states haven't really experienced that major bump-- or, or decrease in administrative costs. So the way Senator Day has written it, to be automatic, I, I believe we would see similar savings to what we've seen in states like Louisiana that do have that placed, placed automatically. And if you don't have a copy of the report, I put a link at the bottom there. I know there's no easy way to click on-- click on a piece of paper, but. Yeah.

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

WALZ: I think you're hitting on what I was trying to ask regarding applications and administration-- administrative costs when it comes to applying for SNAP benefits or Medicaid or CHIP. So--

GARRET SWANSON: Yeah.

WALZ: --is it, is it three separate applications today?

GARRET SWANSON: They are different applications, to my knowledge. But the most important thing is getting those intergovernment agencies to talk together. One of the reasons it was so expensive in Louisiana, \$600,000-- obviously, that's higher than what our fiscal note says here-- is, back then, Louisiana didn't have a well-thought-out

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

database that could actually communicate with others. If iServe is going to be able to do what the department says it can do-- and ACCESSNebraska, we are actually going have the technology to do this. Hence, I believe, the lower fiscal note.

WALZ: OK. Yeah. It sounds like it would definitely be a more efficient and--

GARRET SWANSON: Um-hum.

WALZ: --cost, cost-effective way of--

GARRET SWANSON: Definitely.

WALZ: Yeah. OK. Thank you.

HANSEN: Any other questions from the committee? You're comparing Louisiana's to maybe what we might implement. Is eligibility levels for SNAP and for Medicaid the same?

GARRET SWANSON: Yeah. So there are some differences between Louisiana and Nebraska, especially with some work requirements between the states. The benefit levels aren't much different thanks to the ARPA requirements and-- passed down. I don't remember if Louisiana is letting theirs sunset or not, but I can get back to you on that. But obviously, since each state administers their own SNAP, there's going to be some subtle differences.

HANSEN: OK. Your-- comparatively-- and I know you're comparing us to Louisiana. I'm just kind of seeing if we would, if we would have the same--

GARRET SWANSON: Yeah.

HANSEN: --cost-benefit [INAUDIBLE].

GARRET SWANSON: In my head, I was kind of looking for a similar state. There was a lot of northeastern states, but I didn't feel like those compared to Nebraska very well.

HANSEN: OK. All right. Thank you. And seeing no other questions. Thank you for your testimony.

GARRET SWANSON: Thank you.

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

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

KELSEY ARENDS: Good afternoon, Chair Hansen and members of the committee. My name is Kelsey Arends, K-e-l-s-e-y A-r-e-n-d-s, and I'm the healthcare access program staff attorney at Nebraska Appleseed, testifying in support of LB85. I'm going to go off script a little bit to talk about your great question, Senator Walz. Our understanding is that, for Medicaid, including CHIP, there's just one application. There is a separate application for SNAP or other economic assistance programs. Those all have separate applications today. But I think this question demonstrates that it is confusing and there are different eligibility criteria for different categories of Medicaid, including CHIP. One thing that you'll see-- I handed out a few different things for you. On the fact sheet that we passed around, there is a chart that shows the income categories-- income eligibility criteria for different categories of Medicaid as compared to CHIP. So you will see that, for newborns, kids under one year old, they're-- they have a higher income eligibility criteria in Medicaid than in SNAP. For other kids on Medicaid, different programs, they might have a lower income eligibility criteria than SNAP. But for CHIP, it's much higher. So, generally, kids should-- who qualify for SNAP should qualify for some category of Medicaid coverage. The other thing I wanted to address is a question that you asked last year, Senator Walz, about the financial-- federal financial match available. The fiscal note talks about a 50/50 match. There's actually a 90/10 match available for development of IT systems. So we know that the computer systems will need some updating to make this work. That's why there's a 90/10 federal match available for those initial development costs and then a 75/25 match available for the operations. So we would anticipate a much more significant federal match in-- if the state would take down, draw down those federal funds to invest in Nebraska kids. A few other things that I wanted to note. One is that states that have used Express Lane Eligibility report significant-- significant cost savings and reduced administrative burdens. In fact, one state agency that implemented ELE described it as among the most beneficial processes that the state had implemented, not only because of the simplified eligibility and enrollment processes but also because ELE was implemented in that state during a recession and enabled the state to offset staff shortages without disrupting services. Streamlining the application, and especially the renewal process, is-- as well as managing for staffing shortages, is particularly urgent right now as Nebraska DHHS is processing renewals that could result in terminations for cover-- from coverage for the first time in three years, as this committee is well aware. CMS has repeatedly recommended that states adopt ELE during this Medicaid unwinding to promote continuity of

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

coverage and to mitigate churn. The federal government has also projected that children are at particularly high risk of losing coverage even though they are still eligible during this unwinding. Nationally, more than 72 percent of kids who will be terminated from coverage are predicted to still be eligible, suggesting that administrative burdens to maintaining their enrollment will contribute to significant loss of coverage during the unwind. The unwinding is also anticipated to further exacerbate healthcare disparities based on race and ethnicity. For example, Latino enrollees are 3.5 times more likely than white enrollees to be terminated despite remaining eligible for Medicaid during this unwinding period. And that's nationally. I have provided you with lots of other information. I would point to-- last year when Senator Day brought this bill, DHHS identified in their testimony that they had identified roughly 4,000 kids enrolled in SNAP but not in Medicaid. And based on a spot check, those families had simply not submitted an application for Medicaid, and that's why they were not enrolled in Medicaid. Those are exactly the kids that this bill tries to catch to make sure that kids who are in need of coverage get that coverage. The other thing that this bill would do that, to our knowledge, iServe does not do, is not anticipated to do when it's implemented, is impact renewals. So not just at application, but at really critical moments when Medicaid coverage is renewed, Express Lane Eligibility can help make sure that data and that process is more streamlined. So we'd encouraged your support. And I'd be happy to try to answer any questions.

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

HARDIN: As far as you know, has there been any buyer's remorse from any of the seven or eight states that have gone with Express Lane Eligibility? I mean, is there a way to improve it or-- can you comment on that?

KELSEY ARENDS: Yeah. That's a great question. And Express Lane has been an option for a long time-- well, relatively. I think, since 2009, it has been available. So there are states who have implemented it and then taken back the program or, or unimplemented it. I-- my understanding of states who chose to do that were states who experienced bigger communication barriers between the agencies that administered their Medicaid, their CHIP and their SNAP programs. In some states, those are all operated by totally different agencies. In our state, we're lucky that all of those operate under DHHS. They use common systems. So that's one reason that states, I think, have not maintained the program, because it was harder for them to implement

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

than I anticipate-- we would hope it would be to implement in Nebraska. There is an, an effectiveness study that was mandated by Congress. That data is a little stale now. It's from 2016. And that's where a lot of the states reported lots of really significant benefits in streamlining their administration and dealing with staffing shortages. There were states who made mistakes, and so we've heard of error rates in other states. We know from that data now what the states did. In some states, like Colorado, implemented a very similar bill, Express Lane with SNAP. Some of the people who were Express Lane implemented into Medicaid. Instead of using SNAP data, they used school lunch data. We would anticipate that our state agency would know not to do that. So some of those errors, now we know about, and the state agency could be prepared to not-- to watch out for those hurdles, potential hurdles.

HARDIN: Thank you.

HANSEN: Any other questions? Senator Hardin stole my thunder. That was my question. I was going to ask about error rates. Like, the ones who have implemented this, have their error rates gone up? Have they stayed the same? But--

KELSEY ARENDS: So again, that data is a little stale. I'd love for the federal government to do another study and tell us now years later what folks are doing. I will tell you that the-- I could send you the study so you could look at it for yourself too if you'd like. But there were minimal errors based on things like income calculations. There was, like, one-- if, if my memory is correct, there was one case of someone's income being calculated incorrectly by the SNAP agency, and then they were improperly enrolled in Medicaid. For some others, they didn't have correct documentation, but those were really minimal errors based on the numbers of, of cases that they looked into in my recollection of the study. So the federal government, having that data from years ago now, continues to recommend this program because of its efficiency and cost savings for states.

HANSEN: Thank you. Any other questions? Seeing none. Thank you.

KELSEY ARENDS: Thank you.

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

RASNA SETHI: Thank you. Good afternoon, Chairman Hansen and members of the Health and Human Services Committee. My name is Rasna Sethi.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

That's R-a-s-n-a S-e-t-h-i, and I am the policy analyst at OpenSky Policy Institute. We're here to testify in support of LB85 because reducing lapses in Medicaid and CHIP coverage would not only help ensure consistent access to children's healthcare but also save the state money by reducing administrative costs. Medicaid and CHIP enrollees must renew their eligibility every 12 months. The ren-- this renewal process often results in eligible enrollees losing benefits when required paperwork is not submitted or the state is slow to process it. Although eligibility renewals have not been a major administrative focus during the pandemic, the unwinding of Medicaid in the coming months draws more attention to the administrative burdens involved in renewals. Express Lane Eligibility would therefore ease some of the administrative burden that would result from the unwinding of Medicaid. As recently as March of this last year, CMS encouraged states to take up ELE to maximize retention and provide administrative efficiencies. Prior to the pandemic, 72 percent of lapses in Medicaid and CHIP benefits were due to a failure to successfully complete the redetermination process. Lapses in Medicaid and CHIP can be detrimental in numerous ways. It results in delayed care and worse health outcomes, which also have a social and economic cost for children, their families and the state. Additionally, each shift in and out of coverage creates costs for the state, which has, has to process each new application and reapplication. One study estimates the administrative costs of just one person's lapse in Medicaid coverage costing between \$400 and \$600, whether a child or an adult. According to OpenSky's analysis-- analyses, that means that Nebraska accumulated between \$3.6 million and \$5.4 million in accessed administrative costs due to this enrollment and re-enrollment pro-- processing in 2019 alone. The bill's fiscal note is a fraction of the potential cost savings that the state could incur by adopting ELE and a good investment by the state given our current robust fiscal situation. LB85 helps address the lapses in Medicaid and CHIP coverage and unnecessary administrative costs caused by the burdensome paperwork by allowing Nebraskans to use SNAP eligibility to verify CHIP and Medicaid eligibility. SNAP is well-suited to assist in determining Medicaid and CHIP eligibility, as 92 percent of children enrolled in SNAP in Nebraska are enrolled in Medicaid or CHIP. Therefore, LB85 would ease the burden on families having to provide the same information to multiple agencies and reduce the potential lapse in coverage. 13 other states have adopted ELE, and research indicates these states have seen a decrease in the number of uninsured children. We therefore support LB85 and would encourage the committee

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

to advance it to the floor. Thank you for your time. And I'm happy to answer any questions.

HANSEN: All right. Thank you. Are there any questions from the committee? Seeing none. Thank you. We'll take our next testifier in support. Hello again.

ANAHI SALAZAR: Hello, hello, Chairperson Hansen and members of the Health and Human Services Committee. My name is Anahi Salazar, A-n-a-h-i S-a-l-a-z-a-r, and I am representing Voices for Children in Nebraska. Consistent access to healthcare for kids is critical-- is a critical component of healthy development. Voices for Children supports LB85 because it can help more children access health insurance by providing Express Lane Eligibility, or ELE. Through ELE, states can rely on public agencies' eligibility findings to qualified children for public health insurance coverage, creating a more simplified process for families. In 2021, there were 27,606 Nebraska children who lacked health insurance. Of those, 11,901 were low-income children and likely eligible yet unenrolled in CHIP. Notable disparities exist within children who are uninsured in Nebraska. 9.8 of Native American children, 9.5 of Hispanic and 4.2 of African-American children were uninsured. Inconsistent healthcare access for children produces poor child health outcomes. Over the past decade, states across the country have adopted innovations to make it easier for children to enroll and access healthcare. This is based on the recognition that the preventative benefits of consistent pediatric-- sorry-- care help not only individuals but can also have a positive impact on healthcare systems and costs. We know that when children receive vaccines and well, well checks, more serious health issues can sometimes be prevented. In addition, the screenings, screenings embedded in most pediatric practices can also help identify developmental issues that may benefit from early intervention. Health insurance access is critical for healthy development, educational performance and long-term success for children. LB85 will help more Nebraska children access health insurance. And we want to thank Senator Day for her leadership on this issue and the committee for their consideration. We respectfully urge that LB85 advance to General File. Thank you.

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

ANAHI SALAZAR: Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

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

EDISON McDONALD: Hello. My name is Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d. I'm the executive director for the Arc of Nebraska. We're a nonprofit that advocates for people with intellectual and developmental disabilities. We're here today in support of LB85 because it helps to simplify and speed up the pathway to services for many of our members. We frequently have calls to our office and our chapters that spend an inordinate amount of time walking families through the basics of these issues. In particular, over the last year in our annual survey and one-- and our one-on-one meetings, we have seen an increase in the need for guidance on these issues because it's harder to physically be in an office. In response, we have had to increase our training around these issues. The bigger benefit than the initial eligibility determinations we think will be the benefit of using the Express Lane Eligibility for redeterminations, automatic enrollment and automatic renewals of eligible children in the Medical Assistance Program and the Children's Health Insurance Program. This will significantly decrease the amount of time families and organization, organizations like ours will have to spend helping families to navigate the complexities of Medicaid determinations, and especially redeterminations. I always find it interesting that the fiscal notes never take into account the decreased time they will have to spend walking families through these issues and talking to organizations like ours as well as the costs of incorrect analysis by the department. As we go into our Medicaid online process, we will have far more discussions about our eligibility assessment tools. We've been looking into more alternative assessment tools to ease our burden on the state administration side and on families. This is one of several tools that will allow us to have correct assessments of eligibility where we don't have to have as many state staff hours and we can benefit more families. I'd also like to call your attention to the fact that we are an SSI criteria state, which means-- states that are known as SSI criteria states are states that use Supplemental Security Income eligibility criteria for age, blind and disabled for Medicaid. Per the Social Security Administration, these states make their own Medicaid determinations or may ask the Social Security Administration to do it. Individuals must apply to the state separately from their application for Supplemental Security Income benefits to determine Medicaid eligibility. Whereas states known as 1634 states, are states that have completed a 1634 agreement with the Social Security Administration. This agreement determines eligibility for a specific state's Medicaid program for SSI recipients. This is

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

known as categorical eligibility. These agreements are only with states that use SSI criteria to determine Medicaid eligibility. In other words, individuals who receive SSI in those states receive Medicaid automatically. Individuals do not need to apply for Medicaid benefits separately. So we replicate the assessment process done by Social Security, and I think we're doing the same thing here. No matter how we improve it, we need to look at fixing our eligibility determination tools. And we'd encourage you to pass LB85 and investigate other tools to improve our process and decrease administrative costs.

HANSEN: Thank you for your testimony. Are there any questions from the committee? All right. Seeing none. Thank you. We'll take our next testifier in support if there's anyone. Anyone, anyone else wishing to testify in support of LB85? OK. Seeing none. Is there anybody who wishes to testify in opposition to LB85? Welcome.

MATTHEW AHERN: This is kind of a tall desk. All right. So, good afternoon, Chairman Hansen and members of the Health and Human Services Committee. My name is Matthew Ahern, M-a-t-t-h-e-w A-h-e-r-n, and I'm the deputy director for policy and plan management for the division of Medicaid and long-term care within the Department of Health and Human Services. I'm here to testify in opposition of LB85, which will require DHHS to implement Express Lane Eligibility, or ELE, utilizing findings from the Supplemental Nutrition Assistance Program, or SNAP, to determine eligibility for Children's-- Medicaid and the Children's Health Insurance Program, or CHIP. We oppose this legislation for several, several reasons: the timing, the significant strain that it will pose to the departmental resources and the risk to current programs. Our eligibility data indicates that 94 percent of all children enrolled in the state SNAP program are concurrently enrolled in Medicaid, meaning that our program is already doing a fairly good job addressing the problem ELE was designed to address. Pivoting operations to ELE, especially now, would be unlikely to produce significantly different results. ELE's additional requirements create a more burdensome process than necessary due to differing federal guidelines. The Medicaid division has access to more electronic serv-- sources than the SNAP program, and ELE would largely neutralize those efficiencies. Additionally, the DHHS rollout of the iServe portal continues. This will include the combined application to select community partners, starting in July of 2023, as part of the upcoming phase. The combined application will be expanded to additional community partners and all Neba-- Nebraskans through the rest of 2023. Implementation of ELE would require system changes that

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

pull resources from the iServe initiative and other systems developed and, and aimed at, aimed at improving eligibility operations. In addition, we're extremely concerned the implementation of ELE will negatively impact the department's efforts to effectively complete the federal Families First Coronavirus Response Act, or FFCRA, unwind and result in Nebraskans losing coverage erroneously. A condition of the FFCRA requires states to maintain enrollment of almost all Medicaid enrollees during the federal COVID-19 public health emergency. As a result, Medicaid enrollment has drastically increased. When the continuous coverage requirements expire on March 31, 2023, states have 12 months to return to normal eligibility enrollment operations. During that time, the department must review each case during the renewal process, and this will be the first time that many Medicaid members and department's eligibility operations staff will have to go through this renewal process. The department has been preparing in every way possible for this unwind. Implementation of ELE will require significant updates to the state's eligibility system, online and paper applications. All Medicaid operations staff members would need training on system, system changes and ELE processes, including outlining roles and responsibilities in the intricate operational handoff between divisions. Federal regulations require the development and implementation of additional operational controls and reporting, representing a significant administrative lift. Attempting to implement ELE while MLTC is taking the unprecedented effort to resume normal eligibility determinations could result in thousands of Nebraskans being at risk of losing coverage incorrectly due to the extreme amount of changes co-occurring. Lastly, ELE is active in only seven states. In 2016, the Office of Inspector General reviewed ELE programs in those states. Their records found that 11 percent of beneficiaries were incorrectly determined eligible for Medicaid using ELE. Implementing ELE introduces a level of risk for, for the state with marginal potential benefit. A new program accuracy process will also need to be developed to help address the nuances of this process and mitigate that risk to the degree possible while adding a complex program implementation during the full-scale unwind of the public health emergency. In recent years, MLT has spent considerable time meeting with Medicaid members to better understand the client or customer experience. We understand the importance of improving the application process. It is our priority to provide excellent customer service, and we will continue to make improvements. However, we feel strongly that ELE would not be the most efficient way to address those problems. DHHS respectfully requests the committee not advance LB85.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

Thank you for the opportunity to testify today. And I'd be happy to answer any questions.

HANSEN: All right. Thank you for your testimony. Are there any questions from the committee? Senator Cavanaugh.

M. CAVANAUGH: Thank you. Hi.

MATTHEW AHERN: Hello.

M. CAVANAUGH: How are you?

MATTHEW AHERN: I'm doing all right.

M. CAVANAUGH: Good. OK. It's my understanding-- and please correct me if I'm wrong-- that this is a recommendation from CMS for-- to help with the unwind.

MATTHEW AHERN: I know that it's an option. I, I, I'm not as to where it, as to where it's-- whether it's a preferential recommendation by CMS. I, I certainly know it's an option, but I, I wouldn't want to speak on that specifically.

M. CAVANAUGH: OK. Well, I believe it is a recommendation.

MATTHEW AHERN: OK.

M. CAVANAUGH: And I just-- I guess I don't understand why we would be discounting the recommendation of CMS on how to approach the unwind.

MATTHEW AHERN: Sure. So on how to approach the unwind-- I want to make sure I understand.

M. CAVANAUGH: Well, they want-- they are recommending that we do the Express Lane Eligibility to help with the unwind, like, as a step while we're doing the unwind to continue with the eligibility to make sure that we're not messing things up, basically.

MATTHEW AHERN: Sure, sure. So CMS has been super helpful in providing a lot of recommendations of potential options that we could take to kind of-- to, to implement during this process to make sure that we're doing things as efficiently and as effectively as possible. That said, there's a long list of potential options, and it comes to every state to kind of weigh out their particular situation and evaluate whether that is really applicable and would be helpful for them.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

M. CAVANAUGH: Sure. I mean-- I appreciate that. That's why we do our state plan amendments. I guess it just-- it, it seems like this is, is efficient. It's a much more efficient way of doing business. It's less administrative burden. It's a recommendation of, of Medicare-- or, of CMS. And so-- and I'm not quite understanding-- I, I just am not quite understanding what the opposition is.

MATTHEW AHERN: Sure.

M. CAVANAUGH: Is it that it's-- that you're not able to do this? Because that doesn't seem to be the case. So is it that this isn't a best practice? That also doesn't seem to be the case. And so I'm just trying to understand why you would be coming and testifying in opposition to it.

MATTHEW AHERN: Sure. So I think I'll outline a few of the reasons-- and maybe this is going to be a bit of a recap, but I think that there is absolutely a place for ELE, and there are situations in which this is extremely helpful. It was developed in particular to help states that had significant eligibility determination back, backlogs to kind of cut through the problems that they're facing, but that isn't necessarily the situation that we're in. In addition to that, as was referenced before and I referenced in this testimony, the OIG did a review of the states that had implemented this back in 2016. At that time, there were 11. People have-- states have discontinued this practice as a result now, and there are only seven that are remaining that are doing it. But they found that there was, there was significant problems with this, you know. And this was mentioned, most of those eligibility errors weren't necessarily about the income, but there were other factors that were related to this. But that goes to kind of explain that the reality is that this is not something that can just be flipped on like a switch, you know. They're completely different programs. There are different rules and requirements around those eligibility-- income limits. They aren't an apples-to-apples sort of comparison. And the fact that they had 11 percent error rate in terms of the eligibility determinations that were incorrectly done suggests not necessarily that it can't be done, but it's an extremely nuanced process that can't really just be flipped on automatically. So part of our concern is that while we're in the thick of doing the eligibility redeterminations for the public health emergency, this would be a very complicated system to, to implement. It would require changes to our iServe system. It would require changes to N-FOCUS. It would require changes to our operations that we'd be doing midstream while we're trying to implement the public health emergency unwind--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

kind of like changing our tire while we're on, we're on the highway, with, with increased federal match kind of in the balance to making sure that we got this done.

M. CAVANAUGH: Then why would it--

MATTHEW AHERN: There's a fair amount of risk with us taking that on at this time.

M. CAVANAUGH: Then why would it be a recommendation of CMS?

MATTHEW AHERN: Well, like I said, I think it makes perfect sense for some states for which it makes a lot of sense. So it sounds like, based on the testimony that we saw, Louisiana, it's something that they implemented and it has been very successful. That said--

M. CAVANAUGH: And has any--

MATTHEW AHERN: --there was a recent case study with Iowa nearby, and that case study indicated that this was a cost-neutral endeavor. There was a significant upfront cost, and they hadn't necessarily recouped that on the back end.

M. CAVANAUGH: Well, I, I would argue that the issue isn't the cost, because we're trying to make sure that children don't lose their coverage.

MATTHEW AHERN: Sure.

M. CAVANAUGH: And so if there is savings, that's a bonus, but not, not the--

MATTHEW AHERN: Yeah.

M. CAVANAUGH: --motivating factor. But thank you. I appreciate you answering my questions. Thank you.

HANSEN: Any other questions from the committee? I got one question on your testimony. You said our eligibility data indicates, indicates that 94 percent of children enrolled in the state's SNAP program are currently-- concurrently enrolled in Medicaid right now?

MATTHEW AHERN: Um-hum.

HANSEN: So if this bill is implemented, that would be 100 percent?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

MATTHEW AHERN: It would not be 100 percent. And I, I could explain a little bit more behind those numbers. So the 94 percent means that there are 6, there are 6 percent that are not matching up. And I don't want to say that's insignificant, because the reality is that represents about 3,800 people, right? And this wouldn't necessarily make that 100 percent. When we did a deep dive into those particular numbers within that 3,800, 59 percent of those were people that, that this bill would potentially address. The other 41 were people that applied and didn't qualify, right? So this, this really would-- out of that 3,800, it would impact about 2,300, just under 2,300 of those people. And, and the reality is that's not an insignificant amount. I think the reality is everybody that has testified, we're in complete agreement with, that we want to make this as easy for, for Nebraskans as possible to, to, to take this on and to get the, get the services that they qualify for and want to receive. And that's the reality. We've, we've put our efforts behind the development of the iServe program, you know. As of July 1, we'll be rolling out the-- we'll be rolling out the, the combined application process. It will take-- that will take-- I, I believe it's 14 programs last time I checked. Not necessarily just these 2, but it would be these 2 plus an additional 12. And combining those-- consolidating those applications to reduce that duplication, you know-- and then towards-- by the end of the year, this will be rolled out for all Nebraskans. So that's, that's the intended goal. So our, our hope is to align with the, the cause that all of you guys have communicated excellently and, and all the testifiers have communicated. That's our cause as well. Our intention is to, to put our efforts behind the, the already invested capital and resources in this development rather than starting a new project that would, would be difficult to implement on the fly in this way.

HANSEN: OK. Thank you.

MATTHEW AHERN: Oh-- and I don't want to jump, jump in too much. I did want to clarify, if you, if you would like me to, the, the issue around the, the, the financial implications in terms of the federal match. Senator Day indicated correctly that it's a 50/50 match in terms of federal and state funding. I know the, the, the one from Appleseed had, had mentioned that there is 90/10 funding available for development projects. I will clarify-- and, obviously, I don't anticipate everybody to be completely on top of Medicaid financing. It's, it's not everybody's favorite topic, but--

HANSEN: I read it every night before I go to bed.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

MATTHEW AHERN: Yeah. Absolutely. As, as do I. The kids love it. I read it to them. But that, that enhanced funding is available for development for new platforms and systems. This would be a development of a legacy system. And so only a 50/50 match would be available and the, the enhanced funding would not.

HANSEN: OK. Just to make sure, any other questions from the committee? Seeing none. Thank you for clarifying.

MATTHEW AHERN: All right. Thank you.

HANSEN: Anybody else wish to testify in opposition? All right. Seeing none. Is there anybody who wishes, wishes to testify in a neutral capacity? All right. Seeing none. We'll welcome Senator Day back up to close. And we did have some letters for the record. We had 7 letters in support and 0 in opposition for LB85.

DAY: I won't take up too much time because I know we all get to go home after this. But this is the same bill that I brought last year and DHHS had, with the exception of the unwind opposition, they had similar opposition to the bill last year in terms of the iServe portal and that it was going to be ready for Nebraskans to use in-- and it is not as of today. So we're hearing again that it will be partially ready in July and ready for implementation for everyone in Nebraska by the end of the year. I hope that that is true. This is one of those solutions that-- again, when we talk about reducing administrative costs and also providing a benefit for the public, it seems like we're winning on both sides of the discussion here. And I'm not a fan. I, I think Senator Cavanaugh articulated it very well with the different points of why ELE is important, and also it's frustrating to have state agencies come in and opposition to bills year after year with solutions that they are going to provide for us in lieu of the bill, and then the solutions do not come to fruition, so we have to continue to bring the same pieces of legislation over and over again. And I will continue to bring the same piece of legislation over and over again if I have to. I hope that I don't have to because, again, this is great for the state in terms of cutting administrative costs. But also, we have 2,300 kids, as you heard from Mr. Ahern, that are in need of healthcare access that don't have it because we have not implemented something to help them and they are missing out on that that could be getting it today. So with that, I would hope that we would be willing to find a solution, whether it's ELE or iServe going forward. I'm happy to answer any questions.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 15, 2023
Rough Draft

HANSEN: Thank you for your close. Are there any questions from the committee? Is this your last bill?

DAY: Is it? It might be. Do I get cake or something?

HANSEN: Oh, no. You're getting the nope sign.

DAY: No. I'm just kidding. No, it's not.

HANSEN: All right. Sorry. We're going to celebrate, but--

DAY: I know.

HANSEN: OK.

DAY: OK.

HANSEN: Well, thank you.

DAY: Yes, thank you.

HANSEN: All right. And that will end the hearing for LB85. And that will end our hearings for this afternoon.