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Appropriations Committee
March 26, 2013

[LB268 LB375 LB425]

The Committee on Appropriations met at 1:30 p.m. on Tuesday, March 26, 2013, in Room 1524 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB375, LB268, and LB425. Senators present: Heath Mello, Chairperson; John Harms, Vice Chairperson; Kate Bolz; Danielle Conrad; Bill Kintner; John Nelson; Jeremy Nordquist; and John Wightman. Senators absent: Tyson Larson.

SENATOR MELLO: Good afternoon. Good afternoon and welcome to the Appropriations Committee. My name is Heath Mello, State Senator from District 5 in south Omaha and am Chair of the Appropriations Committee. I'd like to start off today by having members do self-introductions, starting first with Senator Kintner.

SENATOR KINTNER: Hi. I'm Bill Kintner from Legislative District 2 and that is south Sarpy, Cass County, and a little bit of Nebraska City.

SENATOR NORDQUIST: Jeremy Nordquist from District 7, downtown and south Omaha.

SENATOR NELSON: John Nelson from District 6, central Omaha.

SENATOR HARMS: John Harms, 48th District, Scottsbluff.

SENATOR MELLO: To my right over here is Senator John Wightman, representing the 36th Legislative District from Dawson County. Sitting next to Senator Wightman is Senator Danielle Conrad, representing the 46th Legislative District in north Lincoln.

SENATOR BOLZ: Senator Kate Bolz, proud to represent District 29 in south-central Lincoln.

SENATOR MELLO: Sitting next to Senator Bolz is Senator Tyson Larson, representing the 40th Legislative District in north-central and northeast Nebraska. Assisting the committee today is Anthony Circo, our committee clerk, and Jacob Fricke, who is a junior at Nebraska Wesleyan and is our committee page. Sitting to my right is Sandy Sostad, our fiscal analyst for the day. In the corner of the room you'll see some yellow forms. If you're planning on testifying today, please fill out the form in its entirety. It helps us keep an accurate record for today's public hearing. When you come up to testify, please give Anthony the yellow sheet. When you sit down, please give us your first and last name and spell them for the public record. If you have any paper handouts, please give them to the pages before you begin. We ask that you have 11 copies. If you need more copies, they will help make more additional copies for you. If you're here today and you're not planning to testify but you want to be on the record as having been here, there's a yellow sheet or a white sheet, I'm sorry, on the back table. We ask that you

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sign in on that and tell us your name and address, the bill number, and if you're here in support or opposition. We will hear bill testimony in the following order: first, the introducer of the bill, followed by supporters, those in opposition, neutral testimony, and ending with a closing statement by the introducer. We will be using a five-minute light system today. There are lights at the front of the table. When you start, the light will turn green. When the light turns yellow, that is your one-minute warning. And when the light becomes red, we ask that you wrap up with your very final thoughts. At this time, I would ask all of us, including senators, to please check our cell phones and make sure that they are on the silent or vibrate mode. And with that, at this time we'll begin today's public hearings with LB375 by Senator Steve Lathrop.

SENATOR LATHROP: Good afternoon, Chairman Mello and members of the Appropriations Committee. My name is Steve Lathrop, L-a-t-h-r-o-p. I am the state senator from District 12 in Omaha, and I'm here today to introduce LB375. Currently, most Nebraskans with developmental disabilities who need services are placed on the developmental disability services registry, and they wait on that registry until the state provides an appropriation for the services they need. The registry is known as the waiting list. There are currently over 2,200 individuals who are on the waiting list. Of those on the list, almost 1,800 are past their date of need for services as of January 18. This means that there are about 400 people who are on the list but do not yet need services. While it's my understanding that no one is on the waiting list to receive day services, the types of services that people are waiting for include group home residential, companion home residential, or even vocational planning. LB375 would direct funds to individuals who are currently on the waiting list and in need of these services and other types of services. In 2008, the Developmental Disabilities Special Investigative Committee made a recommendation to the Legislature that the waiting list for individuals with a developmental disability should be eliminated over the next four years. Since 2009, the Legislature has appropriated over \$13 million to fund the waiting list, and nearly 1,000 individuals have accepted offers of services from the Division of Developmental Disabilities. These are not people who would still be in need of services if the Appropriations Committee had...pardon me. These are people who would still be in need of services if the Appropriations Committee had not provided this funding. The fiscal note for LB375 indicates that to fully fund the waiting list would require over \$40 million in General Funds. This funding would cover the cost of needed services, as well as to provide the staffing for the division. While I'm not asking for the full amount today, I do think it's important to keep chipping away at the list, year by year. We have made quite a bit of progress since 2009, but we need to continue to move forward in order to fulfill this commitment to our fellow Nebraskans. I appreciate the thoughtful consideration the committee has given this issue since 2009, including the funding found in your preliminary budget recommendation. And I want you to know that your actions have positively impacted the lives of not only Nebraskans with developmental disabilities but also their families, guardians, friends, and communities. I may make an observation, if I can. And that is, when we started this process, I think we had about

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1,700 folks on the list when we began our Developmental Disabilities Special Investigative Committee, if I'm remembering the numbers right, somewhere in there, and you made an appropriation. And what we found when we started to spend those dollars on services was that a lot of people were on the list because it's just something people got on and then they waited, and they thought they needed to get on it even when they didn't need the services. So we had, I think, 700 or so people that said, I don't need anything, and so we had a bunch of people leave the list. We've provided services to a number of the people that have been on the list and waiting, and what we didn't anticipate is that we provided enough reason to get on the list that folks who have been waiting on the list and are waiting without getting themselves on the list thought it would be a waste of time to go through that exercise. Now that we've started to provide some funding we see that the list is growing back up again. I don't want you to think that we're undertaking the impossible task because I don't think it is. I think there's an opportunity to provide some meaningful movement on the waiting list. And the money that we're going to spend or that you'll appropriate, I believe, will reduce the number of people on the list, and we won't have that sort of increase in the waiting list that comes from the people who now see reason for hope and actually get their names added to the list. And with that, I'd be happy to answer any questions I might be able to help the committee out with. [LB375]

SENATOR MELLO: Thank you, Senator Lathrop. Are there any questions from the committee? Senator Kintner. [LB375]

SENATOR KINTNER: Thank you for coming, Senator. [LB375]

SENATOR LATHROP: Sure. [LB375]

SENATOR KINTNER: I think, when I saw the fiscal note, I think I about went into cardiac arrest. That's a lot of money. What are we spending now? And what does an increase mean? And what's...you know, how much money per person are we talking about here? If we gave \$10 million, how many people is that helping? Would you kind of walk me through the basics of it? And I'm not...I agree there's need here. I'm not denying that. I'm just trying to figure out in increments of how much do we have to spend per person so we get an idea of what we're doing here. [LB375]

SENATOR LATHROP: Yeah, it's not like buying tires at the tire store, where you get a price per tire and you know how many tires you can buy depending upon what your budget is. Each of these people have individual needs. Their needs are assessed, and we determine what amount of money each particular individual will receive to meet the needs that they have according to a process of determining what their needs are and, sort of, an objective measure. I think you're going to find some people who follow me that testify about the waiting list, the particulars of it, who might be able to give you an average. I couldn't. I don't think I could give you an average price, but...or a cost per

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person. Basically, what we do is recognize that the list is long, that there's a lot of people that are waiting past their date of need, which means that our families...typically means there's some family that has a child or a loved one living with them that needs services that isn't getting those. And basically, we put what we can into the waiting list and we turn it over to the division to work through the list and provide as much...as many services to as many people as we can, and then we reassess. I wish I could tell you there was an average price and... [LB375]

SENATOR KINTNER: Well... [LB375]

SENATOR LATHROP: But it's not that simple. [LB375]

SENATOR KINTNER: So you think someone behind you could ask...could answer me, if we put \$10 million toward it or \$5 million or some amount, how far down the road that gets us? [LB375]

SENATOR LATHROP: I think we...somebody that follows will be able to tell you, historically, what have we been able to accomplish with the dollars that are appropriated or, if you were to appropriate money with a federal match, how far we could get on the list. [LB375]

SENATOR KINTNER: Is this...this is a dollar-for-dollar match on this payment? [LB375]

SENATOR LATHROP: I think it is. [LB375]

SENATOR KINTNER: Jeremy, you... [LB375]

SENATOR NORDQUIST: Yeah, yeah, (inaudible). [LB375]

SENATOR MELLO: Yeah, it is. It is. [LB375]

SENATOR KINTNER: Yeah, it is. [LB375]

SENATOR LATHROP: I was going to say, pretty close. [LB375]

SENATOR KINTNER: Okay, my expert here says, yeah, so, okay, all right. [LB375]

SENATOR LATHROP: Yeah, I was thinking that it was, because I know when we lost our funding at BSDC it was a fifty-fifty match. [LB375]

SENATOR KINTNER: Thank you very much. [LB375]

SENATOR LATHROP: Sure. [LB375]

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SENATOR MELLO: Senator Harms. [LB375]

SENATOR HARMS: Thank you, Senator Mello. Senator Lathrop, thank you. [LB375]

SENATOR LATHROP: Sure. [LB375]

SENATOR HARMS: More of a comment rather than a question. I just wanted to thank you for your leadership on this. We both know where we were when we got into this, that it was horrible, and I think we've made a lot of progress. And thank you for that leadership of making sure that we've started helping the people who needed the help. And I think we're going to...I don't think this list is ever going to go down. And the reason I say that is there's a lot of children who are in aging parents' homes now, and as they get older they start worrying about, what am I going to do with my child? And so that list will always be there and it will continue. We just have to make sure that we do the best we can to cover them. And I just wanted to thank you personally because you've...your leadership has really helped us. [LB375]

SENATOR LATHROP: I appreciate that. [LB375]

SENATOR HARMS: And I think, when you get down and look back, you can take a lot of pride in what you've accomplished just with this particular aspect. [LB375]

SENATOR LATHROP: Yeah, thanks, Senator Harms. [LB375]

SENATOR HARMS: You're welcome. [LB375]

SENATOR LATHROP: I appreciate that. [LB375]

SENATOR MELLO: Senator Bolz. [LB375]

SENATOR BOLZ: Good afternoon. [LB375]

SENATOR LATHROP: Good afternoon. [LB375]

SENATOR BOLZ: For my own information, could you explain to me, the folks on the list, are they prioritized in any way, or is it a first-come, first-served type of list? [LB375]

SENATOR LATHROP: We have some folks that are called priorities. And I'm going to suggest that if I'm misstating this, someone behind me can correct me. But those people who age out...the schools provide services to 21. After that they've aged out of what I would call the time that schools are providing the services. When that happens, generally, we try to put those people into services, and we use the money that's

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generated from having people leave our process through attrition. We also have some emergent cares...some emergent needs. Those are the people who, for example, if there's a young man or woman living with mom and dad that have developmental disabilities and mom and dad die or the last of the parents die or for some reason they can no longer care for them so they don't have anywhere to go, they become priorities. And beyond that, I don't know if it is a first-come, first-served, or if they try to prioritize them in some fashion other than first in time, first in funding. [LB375]

SENATOR BOLZ: That's helpful. Thank you. [LB375]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Senator Lathrop. [LB375]

SENATOR LATHROP: Great, thank you. [LB375]

SENATOR MELLO: First we will take proponents of LB375. [LB375]

MARLA FISCHER-LEMPKE: (Exhibit 1) Good afternoon. My name is Marla Fischer-Lempke, M-a-r-l-a F-i-s-c-h-e-r-L-e-m-p-k-e. I'm the executive director for The Arc of Nebraska. We're a support and advocacy organization for people with intellectual and developmental disabilities and their families. We have 13 local chapters and about 1,000 members across the state. The Arc of Nebraska strongly believes that people with intellectual and other developmental disabilities have the right to a good quality of life and to fully participate in our communities. Unfortunately, a very significant number of Nebraskans with developmental disabilities have been waiting for far too long for the services which support those rights. They've been waiting for services for which they are eligible and services that enable them to remain in their homes and communities. Thanks to the understanding of the importance of funding the waiting list, this committee has consistently appropriated funds to the waiting list in recent years. Unfortunately, the list still exists and will continue to exist without being fully funded. We're hopeful that this committee continues to recognize the importance of adequately funding systems so that people who need services and supports can contribute as citizens themselves. While we appreciate the funding of the waiting list, we would like to see a mechanism put into place to ensure money appropriated to fund people from the list is used solely for that purpose. We've received confusing information about how the appropriations of last year's waiting list funds were spent. When appropriated, the funds were to go toward 200 people who were on the list. After many months to implement offers, only 156 people were served. It will be important to learn why this was, how many of those served, excuse me, fell in to priority one status, etcetera. It's our understanding that people who fall under priority one status must be served with money generated from attrition to DD services. We're confused by this and think clear expectations and accountability of expenditures are in order. We're also concerned about the fiscal note attached to LB375. It's our understanding that the division makes waiting list cost

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projections based upon continual services. We believe there is a better way to attain more accurate anticipated costs. People in need of services could be informed about the different types of services available. They then could be surveyed to determine which types of services they may actually wish to access once services are offered. The amount in the fiscal note is greatly inflated over what people would actually use. At the very least, it should be compared to the amount currently spent on people and services, the type of services they use, etcetera. We hope these inflated numbers are not to serve as a deterrent for funding the waiting list. It should be understood that people don't choose to take more services than they need. The services they need support them to live, to be productive citizens and taxpayers. Funding the waiting list helps to maximize an opportunity for supporting Nebraskans who are able to give back to the rest of the community and to the state when they receive proper supports. We must note that the waiting list is a separate issue from the rate methodology and must be treated as such. We support anything that will move forward the success of people with disabilities, but we can't only fund one and pretend the other is covered or that it doesn't need to be addressed. The waiting list won't go away if it's not funded; it will grow. A final point we want to draw your attention to is the underutilization of services. People who are authorized an annual budget amount might not use all that's authorized to them. To our knowledge, the underutilization is not closely tracked, but it could be a way to assist in funding the waiting list or other needs in the DD system. Where those unused funds go is kind of unclear right now. Excuse me. We're glad to answer any questions you might have and hope that you support funding the waiting list. [LB375]

SENATOR MELLO: Thank you for your testimony, Marla. Are there any questions from the committee? Senator Kintner. [LB375]

SENATOR KINTNER: Hi. [LB375]

MARLA FISCHER-LEMPKE: Hi. [LB375]

SENATOR KINTNER: Thanks for coming out today. My first question is, is there anyone in the private sector, is there any private charities that deal with the developmentally disabled or intellectually disabled people? [LB375]

MARLA FISCHER-LEMPKE: As service providers? [LB375]

SENATOR KINTNER: Yes. [LB375]

MARLA FISCHER-LEMPKE: Yes, I believe so. [LB375]

SENATOR KINTNER: And how many people are they...are they significant or they have a little niche or what...where do they fit in, in this entire effort to help these people? I'm not sure I'm asking the right question, but maybe you get what I'm getting at. [LB375]

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MARLA FISCHER-LEMPKE: Okay, I mean, I'm not sure who does what exactly. Service providers help people with employment, residential supports, different things that they might need. I... [LB375]

SENATOR KINTNER: I guess, how many people are they helping? You know, if...let's just...if there's 10,000 people that need help, let's say,... [LB375]

MARLA FISCHER-LEMPKE: Um-hum. [LB375]

SENATOR KINTNER: ...are they helping 500? Are they a small player in helping, you know, in this area, or are they major players or...? [LB375]

MARLA FISCHER-LEMPKE: Pretty much everyone in services accesses a service provider of one kind or another, and it really varies as to who that is and what supports they provide to the person. Some use more than one provider at a time; it just depends. [LB375]

SENATOR KINTNER: Okay. Do you remember the question I asked Senator Lathrop there? [LB375]

MARLA FISCHER-LEMPKE: Could you repeat it? [LB375]

SENATOR KINTNER: I asked...I mean, I'm trying to get at cost. Well, I checked, when you were talking, with my social services consultant sitting to my right here, and he says we appropriated about \$3.6 million last year. [LB375]

MARLA FISCHER-LEMPKE: Um-hum. [LB375]

SENATOR KINTNER: And that for...and, you know, we served 156, based on what you just told me. [LB375]

MARLA FISCHER-LEMPKE: Um-hum. [LB375]

SENATOR KINTNER: That comes out to roughly \$23,000 a person. [LB375]

MARLA FISCHER-LEMPKE: On average. [LB375]

SENATOR KINTNER: A client, a client, yes,... [LB375]

MARLA FISCHER-LEMPKE: Um-hum. [LB375]

SENATOR KINTNER: ...someone in need of help. Is that a...can...is that a good

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average? Does my math work at all? [LB375]

MARLA FISCHER-LEMPKE: Again, I think you...it's really difficult to average it because, as Senator Lathrop said, it's very individualized, so. [LB375]

SENATOR KINTNER: So someone might cost \$200,000. [LB375]

MARLA FISCHER-LEMPKE: Right. [LB375]

SENATOR KINTNER: Some person might need \$5,000 worth of services. [LB375]

MARLA FISCHER-LEMPKE: Right, yeah. [LB375]

SENATOR KINTNER: So as we're trying to get a handle on if we appropriate another \$3 million or \$10 million, I...without a better number, could I use the \$23,000 a person to kind of figure we might be able to help, you know, someone at that cost? Is that...in...with lacking any other information, can I use that, or is that dangerous to try to make those assumptions? [LB375]

MARLA FISCHER-LEMPKE: It could be dangerous. (Laugh) I mean, that's where, you know, for right now I don't have a good answer for that. But for in the future, I'm thinking it might be helpful to track what is underutilized currently... [LB375]

SENATOR KINTNER: Yes. [LB375]

MARLA FISCHER-LEMPKE: ...and then to survey people to find out about what they might need so that more accurate numbers can be in the fiscal note for planning. [LB375]

SENATOR KINTNER: Okay, you know, you understand that there's a pie, right? [LB375]

MARLA FISCHER-LEMPKE: Um-hum. [LB375]

SENATOR KINTNER: And we're going to try to divide that pie up and help as many people as possible. [LB375]

MARLA FISCHER-LEMPKE: Right. [LB375]

SENATOR KINTNER: And, I might add, we get asked for a lot of people...a lot of money. [LB375]

MARLA FISCHER-LEMPKE: Um-hum. [LB375]

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SENATOR KINTNER: People come in here trying to help people who have made bad decisions in their life, just terrible decisions. And we believe everyone gets a second chance, so we help them. But this is one group of people that didn't make a bad decision. [LB375]

MARLA FISCHER-LEMPKE: Right. [LB375]

SENATOR KINTNER: They're just born that way, and I'm very sympathetic to this as a...you know, and not quite as sympathetic, sometimes, to other things. So, you see, if we have a pie and we're trying to figure out how to divide it, and if we kind of knew how much impact we would have and if we're thinking, well, we've got...you know, we could just say, we've got \$5 million left over, we'll give that to you. But if we knew how many people we could help and what kind of impact we could make, that might say, well, \$5 million, but if we just made it \$6 million, we could have this much more. So you kind of see where I'm running with this, and that would... [LB375]

MARLA FISCHER-LEMPKE: Um-hum. I mean, you could look to the past amounts that have been appropriated and how many people were served by those amounts and try to extend it from there maybe. [LB375]

SENATOR KINTNER: Yeah. [LB375]

MARLA FISCHER-LEMPKE: I mean, I know it would be difficult to fund the entire list, but that might give you someplace to start. [LB375]

SENATOR KINTNER: So I'm just trying to quantify this a little bit. [LB375]

MARLA FISCHER-LEMPKE: Um-hum. [LB375]

SENATOR KINTNER: So anything you could do to help us do that would be great. Thank you very much, Mr. Chairman. [LB375]

MARLA FISCHER-LEMPKE: Sure. [LB375]

SENATOR KINTNER: That's...no other questions. [LB375]

SENATOR MELLO: Are there any further questions from the committee? Senator Conrad. [LB375]

SENATOR CONRAD: Thank you, Ms. Lempke. I appreciate your testimony and I'm glad that you brought up an issue that I, too, am concerned about. I think it would be fair to say it was the understanding of this committee when we appropriate funds for the

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waiting list if, for whatever reason, an individual isn't going to utilize the full budget amount, that those remaining funds would then be reinvested back into the waiting list to help other individuals. And it seems that, indeed, there is some confusion about how those remaining funds are utilized. So I see that Director Fenner is here and some other officials from the Department of Health and Human Services. But it would be fair to say that The Arc's position and, I think, this committee's position is that funds appropriated for the waiting list should be utilized for the waiting list. [LB375]

MARLA FISCHER-LEMPKE: Absolutely. [LB375]

SENATOR CONRAD: Is that a fair assessment? [LB375]

MARLA FISCHER-LEMPKE: Yes. [LB375]

SENATOR CONRAD: Okay, very good. Thank you. [LB375]

MARLA FISCHER-LEMPKE: Thanks. [LB375]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Marla. [LB375]

MARLA FISCHER-LEMPKE: Thank you. [LB375]

SENATOR MELLO: Next proponent for LB375. [LB375]

MARY GORDON: (Exhibit 2) Good afternoon, Senators. My name is Mary Gordon, M-a-r-y G-o-r-d-o-n, and I am testifying on behalf of the Nebraska Planning Council on Developmental Disabilities. Although the council is appointed by the Governor and administered by the Department of Health and Human Services, the council operates independently and our comments do not necessarily reflect the views of the Governor's administration or the department. We are a federally mandated, independent council comprised of individuals and families of persons with developmental disabilities, community providers, and agency representatives who advocate for system change and quality services. In 2008, in response to a legislative resolution, the council assembled a work group to study the waiting list and make recommendations for a strategic plan to incrementally reduce the number of persons on the waiting list for developmental disability services. Since that time the Legislature has appropriated money consistently to continue this effort. These funds have ensured that the waiting list has not grown in the intervening five years. Perhaps as important, in 2008, people had been waiting since 2003 for services. With the infusion of the waiting list funds, that gap has been maintained at five years. People have been offered services if their date of need was prior to April 15, 2008. We would propose that the language in LB375 specify that the funding appropriated for the waiting list be reserved for this population, based on the

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length of time they have been waiting. Funds appropriated for the waiting list that are allocated to persons but remain unspent at the end of the year should remain dedicated to addressing the waiting list rather than going back into the Developmental Disabilities Division's budget for other individuals who are classified as priority one or needing exception funding. The waiting list should not become an alternate funding source for these needs. We urge your continued support to designate funds to be used for services to meet the needs of this most vulnerable population and to maintain the progress that has been accomplished. Thank you. [LB375]

SENATOR MELLO: Thank you for your testimony, Mary. Are there any questions from the committee? Senator Nordquist. [LB375]

SENATOR NORDQUIST: Yeah, just...when we appropriated funding in the past for this, we kind of...I don't know if we put intent language or how, specifically, but we gave some discretion so it wasn't a...obviously, under the current prioritization, as Senator Lathrop said, some people automatically rise to the top, but...so it wasn't...but we gave some additional discretion so it wasn't just a date ordered that they could look if they could serve some people maybe down the list with lower-level services. Is that the sense from the advocacy community, that that is an okay way to handle it going forward also? [LB375]

MARY GORDON: Well, actually, Senator, when we first got money, when there was hope that we were going to get money for the waiting list, we surveyed families... [LB375]

SENATOR NORDQUIST: Um-hum. [LB375]

MARY GORDON: ...and asked families and individuals, if we get waiting list money, how should it be distributed? Should it be distributed on a first-come, first-served basis, or should it be prioritized? [LB375]

SENATOR NORDQUIST: Um-hum. [LB375]

MARY GORDON: And families said, it should be on a first-come, first-served basis. [LB375]

SENATOR NORDQUIST: Um-hum. [LB375]

MARY GORDON: That's fair; we all understand it. [LB375]

SENATOR NORDQUIST: Okay. [LB375]

MARY GORDON: Otherwise, you have to have a crisis in order to get funding. [LB375]

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SENATOR NORDQUIST: Um-hum. [LB375]

MARY GORDON: If you're trying to do the right thing and keep your family member at home, you always continue to the bottom. And at that time in that first...the first two years of appropriations, my understanding is that the ones that we'd spoke about, the priority ones, the people... [LB375]

SENATOR NORDQUIST: Um-hum. [LB375]

MARY GORDON: ...and exception funding means you have your assessment of how much services, but then maybe you have a medical need or a behavioral health need. And so you need additional funding than what your just base funding would be. But that was...comes from what they call attrition, which is either people move out of the system or they pass away or they move out of state. And so that attrition money was to be...was what is being used for priority one. But this last time, you're right, Senator, the language in the bill did not specify that first-come, first-served. [LB375]

SENATOR NORDQUIST: Um-hum. [LB375]

MARY GORDON: And so there was that discretion. [LB375]

SENATOR NORDQUIST: Okay. [LB375]

MARY GORDON: So I think we're just thinking maybe it needs to go back to the original language. [LB375]

SENATOR NORDQUIST: Okay, okay, thank you for clarifying that. And my social services mentee over here wanted to me to get into the record we did some math and, on average, what we...you know, certainly there's a wide range. It is about \$46,000 total when you add state and federal, per person, to serve. And that's what, historically, it's been, and so that just gives us a sense of what it...cost is. [LB375]

MARY GORDON: Right. [LB375]

SENATOR NORDQUIST: But the range is pretty wide, I'm sure, between the needed services. [LB375]

MARY GORDON: And I think it's higher because most of those individuals on the waiting list are waiting for...they're waiting for residential services. Nebraska...many years ago the Legislature very generously included legislation that students who exit special education are entitled to day services. [LB375]

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SENATOR NORDQUIST: Um-hum. [LB375]

MARY GORDON: And so that has meant we're much better off than many states because of that. And as a result, the people on the waiting list are primarily people waiting for residential,... [LB375]

SENATOR NORDQUIST: Um-hum, residential, sure. [LB375]

MARY GORDON: ...which is the more expensive of the services. [LB375]

SENATOR NORDQUIST: Sure, yeah, absolutely. Thank you. [LB375]

MARY GORDON: Um-hum. [LB375]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Mary. [LB375]

MARY GORDON: All right, thank you. [LB375]

SENATOR MELLO: Next proponent for LB375. [LB375]

KATE KULESHER JARECKE: (Exhibit 3) Senator Mello, members of the committee, I am Kate Kulesher Jarecke, K-a-t-e K-u-l-e-s-h-e-r J-a-r-e-c-k-e, and I serve as the executive director of the Nebraska Association of Service Providers. NASP is a membership organization representing member agencies that provide an array of community-based supports for nearly 5,000 people across the state with complex physical, intellectual, and developmental disabilities. We are testifying in support of Senator Lathrop's bill to address the needs of those that are on the DD waiting list. Recent funding, as recommended by the Governor and the Legislature, has made great strides in addressing the number of eligible people who have been waiting for services to be approved. It is important that the administration and the Legislature continue to address the waiting list and not have people waiting for years for the supports that they need. Our colleagues at the Nebraska Provider Network have seen more individuals and families choosing intermittent services rather than continuous services, indicating that families do not choose more than they need and families support the least restrictive alternative when it is available, though this could be a result of funding being inadequate for continuous service. When the Legislature addresses the waiting list, additional federal money comes into Nebraska and results in new jobs, distributed proportionately in urban and rural areas. Thank you for your consideration and for this...on this important request. And, Senator Kintner, one of the...you asked about the match, and it's a 55.76 and a 44.24 match, and I think what you all talked about, state, so. [LB375]

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SENATOR MELLO: Thank you for your testimony, Kate. Are there any questions from the committee? Seeing none, thank you. [LB375]

KATE KULESHER JARECKE: Thanks. [LB375]

SENATOR MELLO: Next proponent for LB375. [LB375]

BRAD MEURRENS: (Exhibit 4) Good afternoon, Senator Mello and members of the Appropriations Committee. For the record, my name is Brad, B-r-a-d, Meurrens, M-e-u-r-r-e-n-s, and I am the public policy specialist for Disability Rights Nebraska. Disability Rights Nebraska is the designated protection and advocacy organization for Nebraskans with disabilities. Disability Rights Nebraska was created to assist individuals with disabilities and their families and protecting and advocating for their rights, promoting the principles of equality, self-determination, and dignity of persons with disabilities. We support LB375. I would be wholly remiss if I were not...if I did not thank this committee, the Legislature, and Senator Lathrop for their past efforts to appropriate funds for the waiting list and to help achieve the gains that we have seen in the reduction of the current...of the list as it was. However, a little historical context might be appropriate. Prior to the appropriations that have been made in the recent past, the Legislature has made repeated promises to provide adequate funding for the waiting list but, as a result, they have just...the previous Legislatures have kicked the can down the road and kept pushing back the time lines and the dates in which they promised to fully fund and eliminate the waiting list, again, not to disparage the efforts that this committee and Senator Lathrop have made in the recent past to provide some of that funding. As a result, the number of persons waiting for services has grown and continues to grow. People with developmental disabilities service needs have been waiting, on average, for several years to receive services. Now is the time to fulfill the Legislature's promise to these individuals. It is the right thing to do. The state has an obligation to fund the waiting list. We would recommend that adequate funding be appropriated in this legislation to meet its obligation and would be happy to work with the Legislature in this regard. Thank you. [LB375]

SENATOR MELLO: Thank you for your testimony, Brad. Are there any questions from the committee? Seeing none, thank you. [LB375]

BRAD MEURRENS: Thank you. [LB375]

SENATOR MELLO: Are there any further testifiers today in support of LB375? [LB375]

TERRY KRUSE: Good afternoon, Senators. My name is Terry Kruse, T-e-r-r-y K-r-u-s-e. I'm the father of Brady Kruse. Brady was one of the 47 moved out of BSDC in 2009. I'm here today to, first of all, tell you a story. I have a friend in North Platte whose daughter was on this list for eight years. The first time you appropriated money for that,

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she was able to move into her own apartment after living with her dad her whole life. He was raising her and her sister by himself because the mother had left because of this child. So she now lives in her own apartment, and her dad says this is the happiest I've ever seen her in her whole life. The father has a little bit of time for himself. She has somebody come in two to three times a week to help her with her checkbook, her housework, and buying her groceries and paying her bills. That's what you did. Now it's time to keep going. The last time I was here I asked you to go after this situation and to deal with it, and you're doing that. This is probably the first time you've seen me up here with a smile on my face because the climate has changed. The political climate has changed and the financial climate is changing, so it's time to deal with this. I ask you to be careful because we can fall backwards. It's so easy. I watched it for 30 years, three decades. I watched the administrations, over three decades, cut the funding at Beatrice a little bit at a time. And it was very subtle, but look what it resulted in. We don't want to go there again. We cannot go backwards. So I ask you to be careful and to be vigilant. So, to continue this process, let's stay after this problem, stay after this waiting list, and help these people who cannot help themselves. There is no other group of people that need your help more than these people. Listen to the testimony that came before me. They know what they're talking about and they can make you understand what's needed. They can give you the statistics and the numbers that you ask for; I can tell you what it does for the families. So if there's any questions... [LB375]

SENATOR MELLO: Thank you for your testimony, Terry. Are there any questions from the committee? Senator Conrad. [LB375]

SENATOR CONRAD: Terry, it's always a pleasure to see you. Thank you for being here today. I know you've been a frequent advocate before this committee and before this Legislature in telling the story that your family experienced and the experiences of so many other families that you've come in contact with. And I know, for some of the new members, that maybe they aren't familiar with your story. But I know it's always a commitment for you to come down here and to make a long trip and to be a part of the dialogue here today. So I thank you so much for your continued advocacy, and it's a beautiful legacy that your family has put forward. [LB375]

TERRY KRUSE: Well, I appreciate that. And I will tell you, I talked to every senator on the panel and then some this morning before. They all know my story, and they know Brady's story. [LB375]

SENATOR CONRAD: Very good, and I would expect nothing less. [LB375]

TERRY KRUSE: Thank you. [LB375]

SENATOR MELLO: Thank you, Terry. Are there any further proponents for LB375? Seeing none, are there any opponents to LB375? Seeing none, are there any testifiers

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today in the neutral capacity? [LB375]

JULIE DAKE ABEL: (Exhibit 5) Good afternoon, Chairman Mello and members of the Appropriations Committee. My name is Julie Dake Abel, that's J-u-l-i-e D-a-k-e A-b-e-l, and I'm the executive director of the Nebraska Association of Public Employees, NAPE/AFSCME Local 61. We're the union that represents the front-line staff of both BSDC as well as the service coordinators that work in the local offices across the state. I'm here today to testify in a neutral capacity, and I'll explain a little bit why. While getting individuals off the waiting list is a very good move, we also need to make sure that we staff accordingly. This Legislature has had very needed oversight over BSDC and the DD services received. As folks have been moved into the community, we must make sure, with reasonable confidence, that we are putting them in a better place. With that in mind, those persons that monitor those services for the state are DD service coordinators. Those service coordinators, over the past few years, have taken more responsibilities with higher caseloads. The time frames and responsibilities have increased through more service reviews and more responsibilities that were previously assigned to other staff. Just a few minutes ago I actually received some correspondence that our staff in Omaha is now being...the service coordinators are now being asked to do clerical duties. Unfortunately, things like this have continued to increase over the past five years. Now it's to a point that they can no longer handle any more responsibilities without there being suffrage. In Omaha, for example, caseloads are already over 30. As persons are taken off the waiting list, which, again, is a very good thing that needs to happen, their caseloads undoubtedly will rise. So when I look at what the agency is proposing, it appears to me that there is not enough adequate staff, nor are there being accurate records or accounts of what caseloads really are. The service coordinators cannot coordinate and monitor the persons they serve and providers to which they are charged to do appropriately without having the adequate staffing. Turnover is now becoming an issue which further exasperates the situation. We must keep their caseloads at levels so we do not create more problems with our solutions. Again, I cannot stress enough that, to monitor those persons that are vulnerable and the services they receive with any sort of effectiveness, we must have enough staff to do this important job. Furthermore, as we move folks out of places like Beatrice State Developmental Center, we need to ensure providers in the community are able to be reimbursed appropriately so they can pay staff a living wage. These are the people taking care of our most vulnerable, and it's our duty to ensure they are taken care of. More service coordinators are already needed and will be continued to be needed as more individuals come off those waiting lists. I thank you for allowing me to testify today and hope you will consider appropriate staffing levels, and thank you for your oversight of the DD system. [LB375]

SENATOR MELLO: Thank you for your testimony, Julie. Are there any questions from the committee? Senator Kintner. [LB375]

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SENATOR KINTNER: Hi, Julie. [LB375]

JULIE DAKE ABEL: Hi. [LB375]

SENATOR KINTNER: Welcome to our committee. [LB375]

JULIE DAKE ABEL: Thank you. [LB375]

SENATOR KINTNER: So your interest is...are these union employees? Is that your interest here, the service coordinators (inaudible)? [LB375]

JULIE DAKE ABEL: Yeah, the service coordinators are people that we...our union represents. Yes, they are. [LB375]

SENATOR KINTNER: Now why wouldn't...so you want this committee to make...to stipulate there has to be more service coordinators. Is that... [LB375]

JULIE DAKE ABEL: I think there needs to be appropriate...as we're looking at people coming off the waiting list, we have to make sure that there is enough staff out there to monitor those services. [LB375]

SENATOR KINTNER: Because, you know, I would tend to defer to the people running the program, figuring they would know enough, wouldn't you just negotiate that with them and work it out with them, or are they not responsive or...? [LB375]

JULIE DAKE ABEL: It doesn't quite work like that. Unfortunately, we have had our challenges. There have been challenges with HHS over the years. I don't believe the numbers that have been given are accurate. We do try and work with them as much as possible. We talk about caseloads and many different aspects with HHS. But, unfortunately, sometimes it comes to a point where, you know, as Beatrice did, where you have to look at oversights, maybe needed them to push things along. And while they may want to do the right thing, the bottom line is that if you don't have enough service coordinators, the people that need the services are not getting the services that they need and getting it in a timely manner, and things will get missed. [LB375]

SENATOR KINTNER: You know, just speaking for myself, but I...you know, trying to wrap my hands around all this...all these programs to figure them all out. [LB375]

JULIE DAKE ABEL: Sure. [LB375]

SENATOR KINTNER: And we probably have heard from 20 programs in the last two days. To appropriate the monies big enough, to try to figure out how to tell them how to spend it, to me, would seem...would be difficult. Some other people on this committee

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may have more experience in this than me, but that's kind of where I see it. But I'm not hostile to you or anything. I'm just trying to figure out how this whole thing fits together. So you've cleared that up for me. I appreciate you coming here today. Appreciate it. [LB375]

JULIE DAKE ABEL: Yeah, and it can be very challenging. I worked in the developmental disability...in that area for ten years before being involved with the union. [LB375]

SENATOR KINTNER: Okay. [LB375]

JULIE DAKE ABEL: And, you know, I can tell you that I don't take things lightly. I don't think this committee has heard me come in and talk specifically about service coordinators. But it does come to a point to where you have to do everything you can to try and make sure everything is working for those people that need the services. [LB375]

SENATOR KINTNER: Appreciate it. Mr. Chairman, no further questions. [LB375]

SENATOR MELLO: Thank you, Senator Kintner. Are there any further questions from the committee? Seeing none, thank you, Julie. [LB375]

JULIE DAKE ABEL: Thank you. [LB375]

SENATOR MELLO: Are there any further testifiers today in the neutral capacity? Seeing none, Senator Lathrop, would you like to close? [LB375]

SENATOR LATHROP: Just briefly, thank you for your time and attention and your support in the past of those bills that deal with the developmental disability waiting list. I thought maybe I would respond to a couple of questions that Senator Kintner had. And the one question was about charities. And the question sounded like, are there people who do this as charitable work for nothing? The answer is, there's a lot of religious institutions that are involved in providing this care as providers or some, at least, that do it that probably don't make anything on it but that are doing it as part of, sort of, their mission. But they have to be paid because they're paying staff. And so it's not like they pass the basket at Sunday to pay for the workers that are going to provide services to the developmentally disabled. The other question had to do with the staffing. The reason I think you heard some concern expressed about the staffing, and it's a legitimate concern, we know from our experience at the Beatrice State Developmental Center that if you don't make sure that the ratio or the staffing is right, what you're going to get is a lot of turnover. You're going to burn people out, and then you're going to have turnover. And then the people who you want to do the work, people who feel like they have a calling to do the work, get burned out and leave. And so making sure that some

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part of whatever we provide for funding is directed to staff so that the ratios stay in line with client to staff is important. And the last thing is telling them how to spend the money. I'm not going to make broad, sweeping statements about the Department of Health and Human Services. But one of the concerns that you heard expressed here today, and I might clarify that, which is, if you appropriate money for the waiting list and they say, we will spend a certain amount of money--let's say it's \$40,000 a year on somebody--but they don't spend all that money, is it...the question is whether it's going back into just the division, or is it being spent on the waiting list? And I think it's important that if you're going to appropriate money for the waiting list that the money that is returned from clients that don't use it all go back into taking care of people on the waiting list and not into something else that you think you're funding with a different appropriation. So those would be, sort of, my responses to your concerns. All great questions and, believe me, if you...as you spend your time here and listen to the challenges of providing services to the developmentally disabled, the behavioral health, and to juveniles, you're going to see that all of those are issues almost in every...the issues are very much the same, from one division to the next, at Health and Human Services. [LB375]

SENATOR MELLO: Thank you for your testimony, Senator Lathrop. Are there any further questions from the committee? Senator Nelson. [LB375]

SENATOR NELSON: Thank you. Thank you, Senator Lathrop. I appreciate your testimony there. But I guess my question is, how do you determine if a particular individual that came off the waiting list didn't use it all? I mean, I don't...you don't...they don't allocate, well, this guy is going to cost \$30,000 or \$40,000 or something like that. So that's what I'm wondering about. [LB375]

SENATOR LATHROP: Okay. [LB375]

SENATOR NELSON: Is it possible to bring more people off of the waiting list, or do you have to kind of select a predetermined amount of money or number for...on the basis of maybe \$40,000 a year for each individual? [LB375]

SENATOR LATHROP: Great question, and I'm going to try to explain this as I understand it, which could be wrong, but this is the way I understand it. If somebody...we say we're going to help client A, this is what client A needs. Some of that might be respite care; some of it might be a variety of things. And I think, historically, they know...no, that may not be true with residential care. You need a place to live; you need somebody there. But if the care is, for example, respite care, a family may not use all of that. You may say, we'll give you so many hours. And I think, historically, they use about 70 percent of that, so 30 percent of it goes unused. That person isn't paid for the 30 percent of services that are not used; the money just goes back into the system. And the point, I think, that we're...that you'd heard tried to be

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made today is that, if someone doesn't use all of the services that they have been offered, that the money that is saved from their not using all of the services that are available to them--in other words, they say, you know what, I'm not going to go out tonight, I don't need the aide to come by the house, and so they don't write a check to the aide for a particular evening--that money will go back into the waiting list and not just back into the division to go into a fund for things that you've already appropriated money for. [LB375]

SENATOR NELSON: Thank you. [LB375]

SENATOR LATHROP: I hope that makes sense. [LB375]

SENATOR NELSON: That clarifies things, yes. [LB375]

SENATOR LATHROP: Okay, sure. [LB375]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thanks, Senator Lathrop. [LB375]

SENATOR LATHROP: Okay, thanks so much. Appreciate it. [LB375]

SENATOR MELLO: That will end today's public hearing on LB375 and take us to our next public hearing on LB268 by Senator Kathy Campbell. [LB375]

SENATOR CAMPBELL: I think...you want to start with LB268? Is that what you said? That's the problem, Senator Mello, when we have two bills back to back here. Good afternoon. It's a pleasure to be in front of the Appropriations Committee. I am Kathy Campbell, K-a-t-h-y C-a-m-p-b-e-l-l, and I represent the 25th Legislative District. And I'm here to introduce LB268. Actually, both of the bills that I'm going to talk to you about this afternoon are bills that I'm going to say, would you just hold the bills? I'm sort of like the crier of the future in these two bills because I want to...the purpose of the introduction was to draw attention to what may be coming. LB268 is a bill introduced as a result of LB1160, passed last year. LB1160, introduced as a result of the child welfare reform bills after LR37, required the assessment of the state's child welfare information system. UmmelGroup began their review of the system in August of 2012 and delivered their report on November 29, 2012. I have provided the Appropriations Committee--and I think it was digitally we sent this to you--with a copy of the UmmelGroup report and a copy of the testimony UmmelGroup provided to the Health and Human Services Committee during a briefing of their report on January 16, 2013. The report reviewed N-FOCUS, which is the primary system tracking child welfare, and Health and Human Services. I will not review the entire report because it's lengthy but, briefly, the report found that the N-FOCUS system is very good architecturally and is a strong system with a lot of capability that UmmelGroup found could be leveraged for the future. The

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recommended solution strategy chosen by UmmelGroup is to, quote, modernize and refresh the current N-FOCUS legacy technical architecture, which will serve the state of Nebraska as, quote, a bridge to the future, in terms of establishing the modern fundamental technical architecture. Additionally, another issue to be highlighted for the Appropriations Committee is the consideration--and perhaps this is the most important--that must be given to the ACA health insurance exchange, Medicaid eligibility, and the MMIS system. And I believe CEO Winterer talked about the MMIS system yesterday. The report identifies that these two major initiatives should be included in the planning and decision making regarding the future of N-FOCUS. LB268 was drafted to enact the recommended option proposed in the UmmelGroup to improve that data system. However, things change, and along came the ACA. In preparation for this hearing today I met with Brenda Decker, Kerry Winterer, and Thomas Pristow. Ms. Decker was extremely helpful in outlining the priorities of her office, which, number one, is to prepare for the ACA. Then she and her staff will proceed to evaluate how other system needs are best addressed. I suspect that the UmmelGroup report may be outdated in some respects by the time we get to that. But I would encourage the committee to hold the bill should we need a vehicle to proceed with an alternative to track children and youth and their services in the child welfare system. And I know that the department has looked even at buying an off-the-shelf and using that, and Mr. Winterer is far more versed on that than I would be. So I feel it is imperative that your committee and the Health and Human Services Committee remember how interrelated the systems needs are. And so, at this point, all that I am asking of the Appropriations Committee is to keep the report and, as you make decisions about where to appropriate money for our system, that you keep in mind the child welfare system and how interrelated all of these needs are and how prepared we need to be. And, in fact, we have asked Ms. Decker to come and give an orientation to the Health and Human Services Committee, and particularly in relation to Senator Bolz's bill, on how the systems interrelate on Medicaid and Medicaid eligibility and ACCESSNebraska. And we'd be glad to extend an invitation to any of you to attend if you'd like to join us, and we'll get that date to you. Thank you, Senator Mello. [LB268]

SENATOR MELLO: Thank you, Senator Campbell. Are there any questions from the committee? Senator Kintner. [LB268]

SENATOR KINTNER: Not quite sure of everything you're talking about here, but you don't want any money, so I'm pretty happy. (Laugh) So I guess my other question I'm asking this guy, so we'll be fine. So no action today, right? Just keep it in mind and... [LB268]

SENATOR CAMPBELL: Absolutely. I think you all on the Appropriations Committee will come to understand how much money will be needed to upgrade our systems. And they need upgraded, Senator Kintner, they do. I certainly would support the department in their indicating that to you. We all know that from the MMIS system, and we certainly

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know it from N-FOCUS, but at this point, how those all come together is really under the purview, I think a lot, in the Appropriations Committee. And so I just want to see the two committees continue working together. [LB268]

SENATOR KINTNER: Will we, at the time, be able to get, like, a payback? Because we spend this money right here and by this date we've paid for it, but we've saved time and labor and something like...would there be a payback on that? [LB268]

SENATOR CAMPBELL: I think you're going to see a payback in a couple of areas. You're going to see it in the productivity of case managers who work with children and youth. And I also think that you're going to see a payback eventually, and I know we've talked to the department about this, as being able to track and know where kids are in real time. And so, at any point in time, we know where they are. I think you'll see those paybacks. But for right now, I just don't want the Appropriations Committee to lose sight of how interconnected all this is. [LB268]

SENATOR KINTNER: Last question: Are there other states that have it up and running that we can look at and say, oh, it's going to look like that or it's going to look like that? [LB268]

SENATOR CAMPBELL: Actually, we can provide a lot of the information on that. We did look at several states when we wrote LR37. One of the states, I believe, was Georgia and, really, they have a lot of capability on a smart phone or an iPad to be able to say, this is where Andy Campbell is at any moment of the day. And that...and they also can watch where the case managers are and how they're working. I think we'll get to that point, absolutely. [LB268]

SENATOR KINTNER: Fantastic. Thank you very much. [LB268]

SENATOR CAMPBELL: Um-hum. [LB268]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Senator Campbell. [LB268]

SENATOR CAMPBELL: And I will waive closing... [LB268]

SENATOR MELLO: Okay, thank you. [LB268]

SENATOR CAMPBELL: ...because I'll be here. (Laugh) [LB268]

SENATOR MELLO: Are there any further proponents of LB268? Seeing none, are there any opponents to LB268? Seeing none, are there any testifiers today in the neutral capacity? Seeing none, that will end today's public hearing on LB268 and take us to our

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last legislative bill of the day, LB425 by Senator Kathy Campbell. [LB268]

SENATOR CAMPBELL: (Exhibit 6) Senator Mello and members of Appropriations, I promised I'd be short, but I didn't think I'd be that short. (Laugh) This is a particularly interesting bill for members of the Appropriations Committee. And I want to start out a little bit by saying that in the past several years the Health and Human Services Committee is seeing a convergence of a number of issues--obviously, the continuation of the LB603 committee, which was formed after safe haven. We now have a Children's Commission that has started their work, and the first phase of their strategic plan is in, was presented in December. The regions have played an important role in LB603 through the Professional Partners, the work of Senator Ashford and the Judiciary Committee in the juvenile justice system, the Douglas County and Judicial 11 and 12 District pilot project addressing youth in our juvenile justice system, increasing discussion regarding youth with co-occurring disorders, behavioral health, substance abuse, persons with intellectual disability, in the child welfare system, in the behavioral health system, in the juvenile justice system. The Children and Family Services Division of DHHS has contracted with the regions for Professional Partners with a \$2.5 million contract, and Boys Town has started an In-Home Family Services project to help families and youth with behavioral health issues. I introduced LB425 to begin the discussion on how we may reallocate resources as we look at the future behavioral health systems for children and youth. And I...we've distributed to you rather a large packet. And I know what it's like to sit there and get a very large packet and go, are you kidding me, really? But I want you to put this stack for that reading when you get through with all of it, at the end of the session, because this is really beginning to work on the future. If you look at the back of your packet, there is a very bright-colored, blue section. In the reports that were required out of the legislation on child welfare, one of the reports was to do a cross-system analysis of how we were spending our state dollars and how we were spending those federal dollars and were there ways that we could draw down more dollars or use our dollars more effectively. I know you're always looking for that. So in the report...and I want to highlight just the beginning of it, and then we can come back and talk a little bit more about it. The Health and Human Services Committee had the writers of this report in, in January, and the beginning of the executive summary really illustrates why I brought this bill. It is important for the Nebraska Department of Health and Human Services to officially allocate...to efficiently allocate state funding in order to maximize federal funding for services to at-risk children and juveniles. The scope of this project assessed the current prevention/intervention services to youth and identified opportunities to replace state-funded services with federal funds. And I also might say that some of the suggestions also...how we could use our dollars more effectively, and they have a number of recommendations. The Health Committee will continue to come back to this report, time and again, as we begin working through, and particularly the issues having to do with children and youths' mental health services, and so that report should be on a to-read list. And I expect, Senator Harms, that some of the issues that are identified in this will be helpful to the

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Planning Committee as we begin working through those issues. The top sheet that we gave you summarizes the state and federal dollars that are spent in this area, and I want to thank Sandy a lot for helping us identify those figures. We stayed with FY '12, Sandy, in order to be consistent with the report. And then the report shows you how much this report identified how much money is spent on children and youth and the number of children and youth served so that, as you can see, we spend a great amount of money in the behavioral health system. But the funds for what we are spending for children and youth is significantly lower than we might want to look at, and that's partly what this committee...this report is saying to us. I began having meetings with the regions, and I really do want to give them a great amount of credit because I have enjoyed my conversations with them a lot. So we introduced the bill. I felt, let's open a conversation in terms of how the allocation...so we looked at the Health Care Cash Fund as one way because that's existing funding and started those meetings. So we'll, no doubt, follow up with an interim study and work more with the regions and others so that there's really no need to further this bill. Again, it's a bill that opens conversations. But in the LB603 committee, we may come back with new recommendations on how we want to work with Appropriations. So that's the purpose of why the bill was brought forward. The yellow sheet and the orange sheet are taken from the report and just give you some idea of some of the numbers. And I want to highlight a particular program for you. On the orange sheet, if you look at...under Region 6, you will see there that Region 6 began looking at this whole idea of a Mobile Crisis Response, and that has just been an excellent program. If Dick and I were having problems with Andy Campbell and we called into the state Helpline, a crisis response unit in Region 6 would go out and try to help us, right then and there. And I can't begin to tell you that...how much I have appreciated the anecdotal stories that have come from that. It is an innovative program and Region 3 has done some work in this, but it may be one of the areas that we're going to come back to you in the future and say, we need to do more. One other program that is mentioned in this report is the program that came about in working from the Helpline from Boys Town, and Boys Town developed what's called the In-Home Family Services project. And so some of the families that came from that crisis response then Boys Town put in an intensive team to help that family right away. And we are seeing very encouraging reports. And in fact, Jerry Davis is here. And I don't know whether he's here to testify about this, but it is a very promising program that could be replicated and, once again, serves the child or the youth in their home with the family. And all of this is meant to say to the Appropriations Committee, we have a long way to go, but if we...this is just sort of a step for the future. I just want you to know that we will be back at some point to talk to you in greater length, probably next session. But I've so appreciated...Senator Mello's approach to me has been, let's go ahead and discuss some of these issues. So I'm not asking for anything this year but, Senator Kintner, that doesn't mean I won't be back next year. (Laughter) Thank you, Senator Mello. [LB425]

SENATOR MELLO: Thank you, Senator Campbell. Are there any questions from the

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committee? Seeing none, thank you, Senator Campbell. [LB425]

SENATOR CAMPBELL: Thank you. I have so many pieces of paper here. [LB425]

SENATOR MELLO: First we will take proponents of LB425. [LB425]

C.J. JOHNSON: (Exhibit 7) Good afternoon, Senator Mello, members of the Appropriations Committee. My name is C.J. Johnson, C.-J. J-o-h-n-s-o-n. I'm the regional administrator with Region V systems, one of the six behavioral health regions in the state of Nebraska. I'm here representing the Nebraska Association of Regional Administrators. In regards to LB425, LB425 designates 50 percent of the appropriations from the Nebraska Health Care Cash Fund to be used for community-based mental health and substance abuse services, including intermediate-level, residential mental health services that are currently being provided to the behavioral health regions. The regional administrators support a shift in funds to children's services, assuming current services or systems supports funded by the Health Care Cash Fund are not compromised. Additionally, we believe the funding should remain with the regional behavioral health authorities in order that effective and accessible services are available for children who are at risk of out-of-home placement, becoming a state ward, committing a juvenile offense, having school disruption, or dropping out of school. With the expansion of the Professional Partners Program through the utilization of wraparound services, the collaboration with Children and Family Services and the regional behavioral health authorities is moving forward, with referrals coming in at a steady pace. For example, Region 3 is at 60 percent utilization, with only 1.5 months since that implementation, and are currently awaiting ten additional referrals pending parental consent, which will then put them at 100 percent utilization in less than 60 days into the program. Region V's collaboration has expanded their prevention track, which has experienced a 90 percent success rate at keeping at-risk children and youth from becoming state wards. There is clearly a need for effective early intervention services for at-risk youth, which will keep them out of state custody. A shift in funding would also allow for an increased focus on services and supports for transition-age youth coming out of the child welfare or OJS system, who have had behavioral health needs, to ensure that they are prepared for adulthood. The regions fund a variety of services that keep children and youth in their homes, with their families, in schools, and in their communities. Besides the Professional Partners Program in its various forms--which includes the rapid response that Senator Campbell spoke of, transition-age, Professional Partners, prevention, school-based wraparound--we also fund multisystemic therapy, parent-child interaction therapy, transition-age supported employment, school-based therapy, outpatient therapy, crisis response, family support organizations, and other services while supporting additional mental health promotion activities, such as suicide prevention services. We appreciate your consideration in this matter and believe the regional behavioral health authorities can be proactive, preventative, and provide effective early interventions to meet a child and a family's

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behavioral health needs, preventing CFS involvement or the need for parents to relinquish custody of their child in order to access services they need. [LB425]

SENATOR MELLO: Thank you for your testimony, C.J. Are there any questions from the committee? Seeing none, thank you. [LB425]

C.J. JOHNSON: Thank you. [LB425]

SENATOR MELLO: (Exhibit 8) Are there any further proponents for LB425? Seeing none, the committee did receive a letter of support from the Nebraska Nurses Association, from Dr. Linda Jensen. Are there any opponents to LB425? Seeing none, are there any testifiers today in the neutral capacity? Seeing none, Senator Campbell, would you like to close? Senator Campbell waives closing, and that will end today's public hearing on LB425. And we'll take the committee to our last agency hearing of the year, Agency 25, Department of Health and Human Services, Divisions of Developmental Disabilities, Children and Family Services, and Behavioral Health. [LB425]