

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Appropriations Committee September 28, 2020  
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**STINNER:** Good morning and welcome to the Appropriations Committee hearing. We now have music in the background, so if you want to doze off, that'll be [INAUDIBLE]. My name's John Stinner. I'm from Gering and represent the 48th Legislative District, which is all of Scotts Bluff County. I serve as Chairman of the committee. I'd like to start off by having members do self-introductions, starting with Senator Clements.

**CLEMENTS:** Hello, I'm Rob Clements from Elmwood, Nebraska. I represent District 2, which is Cass County and parts of Sarpy and Otoe.

**McDONNELL:** Mike McDonnell, Legislative District 5, south Omaha.

**HILKEMANN:** Robert Hilkemann, District 4, which is west Omaha.

**STINNER:** John Stinner, District 48, all of Scotts Bluff County.

**VARGAS:** Tony Vargas, District 7, in downtown and south Omaha.

**DORN:** Myron Dorn, District 30, which is Gage County and southeastern Lancaster.

**STINNER:** We have a couple senators, I think, will join us on the radio and that's why-- or on the radio-- on whatever it is, telephone, I guess. Obviously, they live too close to the Capitol to show up. Assisting the committee today is Brittany Bohlmeier, our committee clerk. We do have, I think, a couple pages over here that will assist you if you need copies. At each entrance, you'll find a green testifier sheet. If you are planning to testify today, please fill out a sign-in sheet and hand it to the committee clerk when you come up to testify. To better facilitate today's proceedings, I ask you abide by the following procedures. Please silence or turn off your cell phone. Move to reserved chairs when you are ready to testify. Order of testimony will be the introducer, proponents, opponents, and anybody in the neutral capacity. Spell your first name and last name for the record before you testify. Be concise. It is my request that you limit your testimony to five minutes. Written materials may be distributed to committee members as exhibits only while testimony is being offered, hand them to the page for distribution to the committee and staff when you come up to testify. We need 12 copies. If you have written testimony but do not have 12 copies, please raise your hand now and the page will make copies for you. With that, we will begin the hearing, LR389. And if you would let me introduce this, which normally I start, and then you can--

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**WALTER TED CARTER:** I'll get out of this chair.

**STINNER:** --be right behind me.

**WALTER TED CARTER:** All right.

**STINNER:** How's that? I'll let Senator Hilkemann take over as committee Chair.

**HILKEMANN:** OK, Senator Stinner, you're recognized.

**STINNER:** Good morning.

**HILKEMANN:** Good morning.

**STINNER:** Good morning, fellow Appropriations Committee members. For the record, my name is John J-o-h-n, Stinner, S-t-i-n-n-e-r. I represent the 48th District, which is comprised solely of Scotts Bluff County. LR389 is an interim study which continues the discussion on workforce development, particularly around the H3: high skill, high demand, high wage job vacancies in Nebraska. Before the COVID-19 pandemic, Nebraska Department of Labor projected over 34,000 openings in the H3 occupations each year through 2026. To try to address this workforce crisis, I, I initially introduced legislation looking to create an H3 scholarship program to attract students into these needed careers. Working with Governor Ricketts and this committee, we ultimately created the Nebraska Career Scholarship Program, which appropriates funds to our public postsecondary university and colleges and community college to help recruit students in various H3 and in demand careers. While we invested \$4 million into the new program with the passage of LB1008, it became clear that COVID-19 [RECORDER MALFUNCTION] and in job training efforts. I'm hoping to get some revised numbers by the time we start from the Department of Labor indicating if there's any change in the number of requests or the number of openings that we need to, to address. In light of campus closures and reopenings, fluctuations in undergrad enrollment, fiscal strain and uncertainty due to COVID-19, it is imperative that we readjust as needed to adapt to the conditions created by the pandemic. LR389 is that opportunity for us to hear from our education and business leadership on how COVID-19 pandemic has altered the workforce landscape and what we need to consider moving forward as a Legislature. Today, we will hear invited testimony from our postsecondary educational institutions as well as business community. I would appreciate your time and attention as we continue to examine how we as a state can support our postsecondary institutions in this

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critical workforce and talent development mission. Thank you and I'd be happy to answer any questions.

**HILKEMANN:** Are there any questions of Senator Stinner? Thank you. President Carter.

**WALTER TED CARTER:** Good morning. My name is Walter Ted Carter. For the record, W-a-l-t-e-r T-e-d C-a-r-t-e-r. I'm the eighth president here at the University of Nebraska and I'm really honored to be here to speak with you this morning about LR389, workforce development. So I first want to thank Chairman Stinner, Vice Chairman Bolz, if she's on the teleconference, and the committee for the opportunity to be with you this morning. I appreciate this committee's sustained focus on workforce development and economic growth in our state. And as I've said publicly and has been written in many of the newspapers, I firmly believe that as go our state's economy, so goes the university. And as goes the university, so goes the state's economy. So clearly, there's lots of opportunities for us to work on together. A lot of the work that we're gonna discuss here today has been critical not just in a pre-COVID world, but in today where we are right now. Mr. Chairman, you've laid out the challenges very well. Nebraska faces significant shortages in the high skill, high wage, high demand jobs that are key to our economic growth. Specifically, engineering, nursing, IT, accounting, manufacturing jobs. All of these add up to about 34,000 job openings annually, as already been stated by Chairman Stinner. And we have more openings than we have skilled workers to fill them. COVID's added a new urgency to our work Nebraska has been fortunate to avoid some of the most devastating economic consequences. As we've seen nationwide, we had the lowest unemployment rate in the country right now as a state. But we need to continue to take decisive action in order to keep our economy growing as we navigate through COVID-19. I am very pleased to tell you that the University of Nebraska is laser focused on these issues. From before the pandemic, when we first gathered a team around the table in February from my very first day as university president on 1 January, we have been building a strategic plan for the university. The early themes that emerged not only were sustainable, they were validated by the pandemic. They were centered around enrollment, attracting and retaining talent, growing the workforce, creating jobs, and economic growth. So COVID only accelerated our thinking. We rolled out our full strategic plan last month. And you have a copy of that at your table. This lives electronically. And the way we wrote this is for every single Nebraskan to be able to read it, digest it, and understand it. So this isn't just for the Legislature, this is not just for faculty and staff and our students, but this is for all Nebraskans to understand what

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our plan is going forward in the next five years. And the goals in this plan are very, very simple. It's based on affordability, accessibility, and growth. But as we rolled out this plan, which really was ahead of the August 14 rollout, we really had two principal actions in mind. First and foremost was to take care of Nebraskans during this very difficult time that went clearly into the summer and as we got into fall enrollment. And second, we wanted to act decisively so that we would emerge from this period in a position of strength. And clearly, we're not through all of this yet. But I am optimistic that we are poised to come through this in a position of strength. As these challenges will pass, and I'm convinced the value of higher ed is not only going to grow in terms of our vital role in helping you build a workforce and economy of the future, we at the university have to be ready to pivot as higher education is going to need to change going into the future. And I believe we are set to do that. So let me just very quickly and I know you know a lot of this already, but just for the record, I want to just take you through a couple of the quick steps that we have already enacted dating back to April 17 when we opened up Nebraska Promise. But first and foremost, I want to mention Nebraska Career Scholarships. I am very grateful to this committee, Chairman Stinner, in particular for your leadership and champion investments in student scholarships. These funds will go a long way in attracting new talent to our colleges and universities and producing more graduates in high need areas for our state. This forward thinking investment in our young people in Nebraska's future competitiveness will pay off. So on some of the things that we did, Nebraska Promise, a lot of you are aware of what that program was and what it was intended to do. We have just recently pulled some of the census numbers, so I thought I would share those with you. These have not been discussed openly in the public. So you're really one of the first to hear these. We had over 7,000 qualified Pell and non-Pell Grant students apply for Nebraska Promise. A record compared to Pell Grant scholarships, as well as Nebraska Bound, a former program that we had. Over 725 non-Pell eligible students, these were the students whose families have a \$60,000 less adjusted gross income. In other words, Nebraska Promise has certainly opened the door to university education Nebraska students who otherwise would not have thought it was possible. And it was good for our young people, good for our communities, and good for the workforce. So I want to thank Chairman Stinner, Senator Vargas, and Senator Wishart for being part of our announcement in April and providing public support for Nebraska Promise. We also announced a two year across the board tuition freeze that gave Nebraskans hope and predictability for the future in terms of students and their families. Now they know exactly what they're

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going to pay in tuition for the next several years. We reduced our online prices. Now, we did these in successive steps. To give you an idea of the impact, is this reduction in tuition costs per credit hour, we reduced the cost per credit hour at our flagship University of Nebraska- Lincoln by 7 percent cost per credit hour. At Omaha, where we have the highest majority of online students by \$9 cost per credit hour-- 9 percent, excuse me. These are significant drops. And these were based on some of the nationwide polling where students told universities that they need to see those drops. And the results were stunning. We saw the highest amount of online education delivered at all of our campuses this past summer semester. And right now, going into the fall, although we're 70 percent in person and about 30 percent online at our flagship at Lincoln, we have the highest percentage of online students we've ever seen in our history. We're actively exploring other innovative pricing strategies as well. We've rolled out a program called New Nebraska. And that's a focus, particularly for our, our campus at Kearney that's gonna offer in-state tuition to all U.S. undergraduates. And we're gonna be looking at other strategies across the system that can bring new talent to our state to fill critically needed jobs. And for those that might say, well, isn't that a bit of a reach to bring out-of-state students here to get that type of scholarship? We recognize that if we're going to grow the state as well as we've done to continue to attract our Nebraskans to our campus, we've got to look outside our state borders to help us grow. We've declared that we would be open. And yes, we certainly had our challenges with COVID-19, not just the flagship at Lincoln, but all of our campuses, but using isolation and the ability to take care of our students and make sure that there's a prominent amount of testing available, I feel like we've been successful thus far. Again, providing predictability for Nebraskans, chancellors, faculty, and staff have worked tirelessly throughout this spring and summer to prepare us for a safe reopening. Major thanks to them for allowing us to safely resume in-person learning, which is so important to students, what I call the whole person education. We've also done a significant review of our academic calendar. We're going through a pilot program right now where we've reduced the fall break. We went to classes on Labor Day and at the flagship at Lincoln we will be done with exams and the entire fall semester prior to Thanksgiving. And we will be having further announcements of how we'll make more changes in a pilot program for the spring semester. Again, to help minimize travel, expand the, the intersessionals, for example, in the winter to give a longer intersessional, but maintain also the same amount of break during the summer. So what's been the result of our decisions? Well, as you've probably read, we are overall up 1 percent

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in total enrollment across the university system. That's a reversal of the trend over the last two years where we've seen minor decline. That was roughly about 500 students. In fact, we're closer to 52,000 students total across our four main campus to include our two-year program at Nebraska College of Technical Agriculture. This is a huge win, given the significant declines that we knew would occur among our international students and in light of the national rhetoric predicting 15 percent drops in college enrollments. In fact, nationally last week, Washington Post and other major newspapers and publications produced the first national results undergraduate programs across the country, a down greater than 2.5 percent in enrollment. And yet we have gone the opposite direction. International students across major campuses around the country are down 30 to 40 percent. We only lost about 15 percent across all of our campuses and we were up in out-of-state students and up almost 3 percent in Nebraskans coming to our campuses for this fall. The success of Nebraska and its public universities are intertwined when we grow, so grows the state. Enrollment growth is great news for our workforce and future economic competitiveness. The story that we're not talking about today, and I think it's one that we shouldn't lose sight of. Had we not taken these actions, had we not had the support of the, of the Nebraska Senate and all of you, we would probably be talking just like our neighbors in Iowa, where they're down 9 percent student enrollment. We might be talking about national averages, we'd get-- we were to predicted ourselves down 2 to 5 percent enrollment. To be very frank and honest, I think it would have taken us 5 to 10 years to recover. But we're not in that space. So I note that we're not only focused on getting more students in the door, but we're also making a priority to help those students once they're here, stay on the path to a degree, be successful in their classes, and graduate on time. So as part of our strategic plan we're-- we are renewing our focus on improving retention and four-year graduation rates. We will also explore opportunities to expand internships so that students can get into the pipeline and get into the workforce sooner with lower college debt. I want to thank the committee again for your leadership and support of the University of Nebraska, even during these difficult times. Your leadership is a key reason why Nebraska is a better position than many other places. And as I've said to many of you personally and I've said to our border regions, I personally could not be happier to be here as your University of Nebraska president. I felt this was a calling for me personally. And every single day, no matter what the challenges, I feel like I'm in the right place at the right time. And I'm happy to take your questions.

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**HILKEMANN:** All right. Are there questions for President Carter?  
Senator, you may begin.

**CLEMENTS:** Thank you, Senator Hilkemann. Thank you, President Carter, for being here. Just to clarify, did you say that UNK is going to have in-state tuition for all U.S. residents?

**WALTER TED CARTER:** We are offering it as a scholarship program. It is not gonna exactly be at the in-state tuition level. It will be something slightly higher. But this is an attraction, an attraction program that they already offer for many of their border states. And in fact, we saw more students come to UNK this year from Colorado and South Dakota than we had seen in past years. We are looking at similar programs at our other campuses, but keeping a, you know, kind of a cap on it. In other words, we're not opening the spicket all the way open, but this is a way to help attract out-of-state students, get them here. And what I would also point out is, no, there's a total cost to attendance at our campuses that goes well beyond tuition. So offering a scholarship program for certain students that can fit into these high need, high skill, high wage job positions is a way for us to help get after this problem and make new Nebraskans.

**CLEMENTS:** Is the UNK program targeting the high wage skill demand major fields of study?

**WALTER TED CARTER:** Yes, that is, that is the principal drive to get those students to come to us, not just to come here, but to get them into meaningful internships and make them Nebraskans and go to work here in Nebraska.

**CLEMENTS:** And does UNK have the capacity to expand the number of students?

**WALTER TED CARTER:** I would tell you that of all of our campuses, if there is one campus that is poised for growth, it's UNK. Today, there are about 6,300 students at the undergraduate and graduate level. I would make a statement that between those that use online capabilities and in-person, they could grow to as many as 10,000. We've never seen that number. I think it would take them 5 to 10 years to see that with some of these type of programs. But that city and that university campus is ready to do it.

**CLEMENTS:** Thank you.

**HILKEMANN:** Thank you, Senator Clements. Senator Dorn.

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**DORN:** Thank you, Senator Hilkemann. Thank you, President, for being here. Early on you mentioned, and I think Senator Stinner did too, that we're, we're short, short right now 34-- or we have 34,000 job openings in some of the critical--

**WALTER TED CARTER:** Right.

**DORN:** --areas. The Nebraska Career Scholarship and, and the Pell Grant, is that helping to-- I guess, draw in students to those programs or how is that all being affected?

**WALTER TED CARTER:** Yeah, it's one thing to get them in the door, as I stated here, and I know that's where you're going here. It's another to make them successful. So within the context of this very simply written five-year strategy is how do we not just get them in the door? How do we make them successful? Give them four-year guarantees to give them the right tools? Because, you know, as I was in Curtis this weekend and there were a number of students that graduated from NCTA that are now on our campuses. And if you come from western Nebraska and you, you know this very well, you come to Lincoln, it's the big city. It's a complex campus. I mean, we're talking something close to 700 acres of buildings. It can be daunting. So not only doing that in this time of our, of our nation's history, but then to be successful. So we're actually investing money in things like mental health, tutoring services, and learning from some of our Thompson Scholars who have traditionally been lower income, underrepresented communities and their successes and how they've got to high graduation rates. To give an idea of how good the work has been done, the University of Nebraska-Lincoln this year, and this is soon to be announced, is going to make a statement about their grad-- their, their six-year graduation rate, which is a national standard, just under 70 percent for the first time in a long time. That's nationally competitive. We're talking top 65 in the nation for state universities. So we have some great successes already beginning to happen. As we expand our Pell Grant eligible and the Nebraska Promise students, we've got to put some significant effort to make sure that we are making them successful. Additionally, we have a lot of work to do with our business community, our chambers of commerce across all of our major metropolitan areas, as well as our rural areas, to find pathways for our students to get into meaningful internships. It's one of the reasons I'm really excited about this new academic calendar opening up the winter intersessional will allow two big opportunities. One is to take some more classes, whether it mostly be online or in person. The second is to take real meaningful internships because now they'll be longer. And I view these internships as a beginning of what I would

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call a Blue Chip program. In other words, it's a two-way interview. It's an interview for that student that's going to the internship, but it's also an interview for that employer to look at that student and say this is somebody I want to employ and give them a job opportunity before they've even graduated. This is how we're gonna go after this. Now, you know the numbers. We typically graduate about 11,000 students a year across the university system. That's not gonna be enough to get after this 34,000 deficit. We've got to go bigger and better. And that's one of the reasons we've opened up this new Nebraska program and some of the others. And then we've got to figure out how to retain the top quality students, of which I would say we lose about 15 to 20 percent of our graduates that get jobs out of state and it's because they want to leave Nebraska. And let's, let's admit a lot of them do come back to Nebraska, but we've got to find ways to attract them and pay them the right amount of money to stay here and work in the state. So this is across the state effort. I mean, we'll help get them to the door. We'll help get them to these internships. But again, we've got to work across the entire state here to solve this problem.

**DORN:** What, what is-- knowing we're sitting at 34,000 of them kind of in that range,--

**WALTER TED CARTER:** Right.

**DORN:** --is it, I guess, looking longer term, is that a number that will be maintained or can we-- can the university and other people really make a dent in that and, and bring us to a lower number?

**WALTER TED CARTER:** I think we can make a dent in it. I mean, I talked about the 52,000 students that were in. We were talking about Kearney. I mean, my vision is that we'll grow the university to 60,000 students during my time here. So I guess that will start to say, how long would I be the university president? I'm not talking about 20 years. I'm talking about 5 to 10 years. And we're not doing this alone. You know, there are quite a few universities and colleges, private, community colleges. When you take, you know, a full look at that entire community, we as an entire postsecondary education system, we're gonna have to do this together. So I'm very excited about the Governor's desire to kind of reinitiate the P16, which is really I call P20, you know, from kindergarten all the way to graduates at the undergraduate level so that we can start to get after some of these numbers and challenges.

**DORN:** Thank you.

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**STINNER:** I'm gonna move back here. This is a LR, not a bill. So far, the Legislature has allocated \$2 million to scholarships, 170 scholarships. Limitation was 25,000. And then there's another tier of 10. Tell me about-- because of COVID, because of the split session, because unknown's about student enrollment, how you gonna use the \$2 million? Have you used it? Is the scholarship number right? Is it competitive? Because that was a part of what we were trying to do. And then, of course, we step up to four, six, and eight.

**WALTER TED CARTER:** Right.

**STINNER:** Talk us through that use of those dollars. The students that you see that you can, you can help and is that scholarship number the right number--

**WALTER TED CARTER:** So--

**STINNER:** --from a competitive standpoint.

**WALTER TED CARTER:** Sure. Two points to make. The first is the flexibility that this committee and the Legislature's given us to not try to spend the money as fast as we can. In other words, to move this money and spend it when we can. I mean, let's face it, our biggest enrollment drive is in the fall. We don't really see a big enrollment, new amount of students coming in the spring. So the ability to make sure that we put this money to the right students for the right reasons and to have the flexibility to use this money, whether it be for tuition only or tuition fees, room and board. In other words, to have that flexibility so that we can find the right fit for every student. And as I have worked with my chancellors on our four main campuses, my leadership style is to empower them, to give them the resources to make the biggest difference. I mean, let's face it, the needs at the Omaha campus are gonna be a little bit different than at Lincoln and out at Kearney. So there isn't a one size fits all here. And that's what I think is the beauty of how this money has been allocated to us. Two million dollars is a fantastic number for us to start. And I would argue that if it, if it could go to \$20 million, we would use it and we would use it effectively and it would go in the right direction to get after this H3 problem.

**STINNER:** Thank you. Additional questions? Senator Vargas.

**VARGAS:** Thank you very much for being here, President Carter. And I just want to thank you for the work on the Nebraska Promise, work with the first generation college students. And I, and I see a couple head

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nodes in, in, in the background. It's, it's a huge asset that we're investing in our first generation students and those that have higher needs so that we can make college more affordable. I brought up several times in the past the need to, you know, we've kind of been in the middle of pack in the terms of the need-based aid percentage versus merit-based aid percentage. Nebraska Promise, I think, is pushing us more into the need-based aid arena and making sure it's more affordable. So I appreciate that. And, and look forward to seeing that as part of the long-term strategy to retaining some of our youth here. Just a quick question on the cultural and diversity inclusion, and, and if you want to elaborate on it a little bit more. Some of the goals that I saw here and I've seen are on identifying and reducing the gender and racial equity pay gaps. I, I know part of that is compensation studies. I don't know if you have a larger, you know, what the long-term look is once you have compensation studies. What's the plan on what to do with them? And I say this coming from, you know, there are, there are huge opportunities to be competitive with, with making sure we have a representative, representative faculty that especially, let's say, in like, UNO, that, that look like the population--

**WALTER TED CARTER:** Right.

**VARGAS:** --that we're currently serving as well.

**WALTER TED CARTER:** Right.

**VARGAS:** But then there's also the need to make sure we're competitive with attracting and retaining these individuals so they don't go to other places. So just wanted to, to give you the opportunity to share a little bit more about that.

**WALTER TED CARTER:** Yeah, Senator Vargas, thank you for the question. To put a little context and then add and, and then get right to the heart of your question. As I mentioned, the trends that were reported in The Washington Post here last week in the roughly 2, 2.5 percent drop in enrollment across, you know, colleges, public and private, across the country. What I didn't mention is there have been significant drops in underrepresented minorities and first generation students to attend colleges across the country, often in many areas more than double digit percent drops. Again, I'm really proud of what our enrollment did, what Nebraska Promise has done. We are up in underrepresented minorities and first generation students in this fall enrollment on every single campus, 30 percent increase in first generation students at Omaha for incoming freshmen. It's, it's a

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record. It's, it's incredible. And some of that is due to Nebraska Promise. Now, that said, as we are going to continue to get better and better at attracting the right students, the right cross-section students on our campuses, we're behind on what our faculty and staff look like. They're not as representative of the trends that we're seeing and, and who we're attracting to come to our campuses for all the right reasons. But we're-- we've got work to do. It takes a lot longer to change out faculty and staff, especially with tenure. So there are some things that we can do and they are built into the strategy. The first thing that I think is most important, I think we all have been doing this across our nation right now. At least those that have a certain amount of empathy is make sure we're listening, listening to all the voices, make sure we understand where people's feelings are right now. There's a, there's a lot of distrust. There's an incredible amount of angst. And we here in Nebraska are not immune from it. I mean, you see it in the national news. So I think it's important that we acknowledge that first of all. And that was something that we tried to say in this. And I've been very public about it. We need to be able to poll and use, you know, mechanisms to give our faculty, staff, and our students to give us feedback. We do a lot of that already. We don't do it as often as we could. And maybe we're not very good at responding back to them to tell them what they've told us and then take action on those things. You know, ultimately, this starts to get at a culture and culture doesn't happen overnight, but it starts at the top. It starts with me. So I've been very open about how we're gonna go after that. I've also been very open about how we help attract and retain the right faculty. We have underpaid some of our faculty significantly at UNMC and at UNL. This strategy is directed at fixing that. And then we should also acknowledge that we probably are not paying, because I can't say categorically just yet, some of our faculty on equal pay, whether it be men versus women or whether it be minorities versus others. So we're going through a full review of that to make sure that we're getting after that. And then we're also taking a look at something that, you know, if I were to reference our, our, our Big Ten university flagship at UNL. Every Big Ten university has education and, and bias understanding. We don't. So I directed that we take a look at how we do that in the right way. And that, and that can be a little bit of a lightning bolt discussion. We've heard that from many, many levels of the government that we shouldn't be getting the space. We have to, we have to be able to have that open conversation. That's part of what a liberal education is all about. We better understand what all of us bring to the table in terms of how we were brought up, things that we think we know. This is an important part of education.

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We're gonna invest money in a program like that and it'll be fair and balanced.

**VARGAS:** Well, I appreciate that. And, and then the main reason I ask is to your last point, our six-year graduation rate. I'm, I'm glad to hear the six-year graduation rates are increasing. You know, three years ago when I first started here in Appropriations-- four years ago in Appropriations, I was looking at a lot of the numbers and the gaps that we had between our six-year graduation rates, between our individuals first generation and low income and underrepresented, you know, individuals of color and the, the rest of the population that gap continue to exist. So I'm happy to see that the, the numbers are increasing because we can't expect to, as a state, get better unless our people graduate and get into those jobs. So thank you.

**WALTER TED CARTER:** I, I did not state it in this policy, but in my previous positions as a, as a university president, I'll be in federally financed institutions. You know, sometimes we'll get hung up on the overall percentage. But the better metric is to look at as you break out apart every different cohort of types of students. Look at the gaps between those different cohorts. We, when we achieve success, should be within 5 percent from the lowest graduation rate of underrepresented minorities to white males. I mean, pick the category. That's where we will really start to measure our success. And we have a pretty big gap there to close.

**VARGAS:** Thank you very much, President Carter.

**STINNER:** Additional questions? Senator Hilkemann.

**HILKEMANN:** President Carter, just a couple of comments. I want to pick up where Senator Clements was. So this program that you're doing at Kearney is similar-- for example, I know that, that at one time Iowa State, for example, they had a relationship with, with Minnesota and Wisconsin,--

**WALTER TED CARTER:** Right.

**HILKEMANN:** --that they were all. Is this the sort of thing that we're looking at, at, at UNL-- or at UNK?

**WALTER TED CARTER:** It's a-- it's similar to that, but expansive. So, for example, our college state system here does this already. So at Peru and Chadron and Wayne State, they offer a program that offers anybody from anywhere in the country to come and get that same level. So it is not too dissimilar to that, although we're doing this based

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on scholarship. So this is plan money that is out of our budget, not money that I would come to the Legislature and say that we need. This is the ability for us to afford bringing out-of-state students here. We do a pretty good job of attracting some neighbor states at places like UNK, UNL does a very good job of bringing out-of-state students there, out-of-state student population grew, especially at the graduate program level. But again, if we're really focused on how we're gonna grow our university and how we're gonna get after this 34,000 person deficit in the H3 world, we won't be able to do it with just Nebraskan students, that I am more convinced than ever. I would have focused on that coming right out of the gate with the strategy. But due to COVID-19, I knew that we had to focus on Nebraskans first and we'll continue to focus on Nebraskans. But when you take a look at the numbers and you go back historically, we're talking roughly about 15,000 Nebraskan students who go to college coming out of high school every year. That goes back some number of years. We see about 12,000 of them come to our university, our four campuses. I don't expect that will change that much. And in fact, if you follow the studies and look out ten years from now, that number is projected to go down. Now that doesn't mean there still won't be students looking for postsecondary opportunities, you know, maybe more in the community college side, but those are just the simple realities. And as I said, I think we want to grow the university not just for growth's sake, but to grow our state.

**HILKEMANN:** Question. You said, you said you're starting the semester just before Labor Day and you're gonna end it before Thanksgiving, which in my book means you're gonna have this semester included in about 12 to 13 weeks. Is that correct?

**WALTER TED CARTER:** That's correct.

**HILKEMANN:** I remember when I went to college, which was eons ago. But, but they went, at that point, to 16 weeks for the semester. And some of the professors there were, were, you know, how can we get all our teaching in within a 16-week period of time and now you're talking about a 12-week period of time. What's the response of the professors to this?

**WALTER TED CARTER:** So there are requirements for contact hours on every campus. You know, obviously, we go through our full accreditations. So we're meeting all those standards. So, obviously, when we started this idea to finish by Thanksgiving, I'll use the flagship at UNL. They came to class a week early and they started the, the, the fall semester off by going remote only for that first week. So there's a give and take here. You don't get something for nothing,

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as I think is your point that you're making. But they're meeting all of those standards with no reduction in contact hours and being able to meet all the standards to meet the time in classroom, whether that'd be done remotely or physically, to include labs, to include administering final exams. And part of the thinking at Lincoln, in particular, was they want to administer final exams in person. So although all of our campuses aren't doing exactly the same, for example, with our roughly 16,000 students at University of Nebraska at Omaha, they did not start early. So they will be finished with their in-person classroom studies by Thanksgiving, but then they're gonna administer exams after Thanksgiving and they've chosen to administer exams remotely. So, again, minimizes travel, comes up with some similar themes here, but there semester will be a little bit more expanded. You know, at the end of the day, and this takes a little bit of, of kind of out of the box thinking for all of us, especially those of us who are a certain age, and I have great respect for the time that I've been here in Nebraska to realize that this state has been running on the farming and agricultural world since its founding. So we can go back and look at a 151-year history of the University of Nebraska-Lincoln and look at the academic calendar, and it's based on planning and harvesting and all the things that happen around the farming community. Well, if you were to canvass all the students that are on those campuses to include faculty, what percentage of those do you think are actually tied to farming, planting, and harvesting that has been a historical number? You're probably not surprised to know it's, it's almost zero.

**HILKEMANN:** Yeah.

**WALTER TED CARTER:** OK. So for us to look at thinking differently about the academic year, not based on the farming and agricultural cycle, to do it for the right reasons is absolutely out-of-the-box thinking and forward thinking. That's what this new academic calendar year could eventually prove for us. Think of a way for some percent of students that can now take four semesters worth of academic courses, heavily focused in the fall, heavily focused in the spring, lighter coursework in the winter with a-- with an internship and then another course load in the summer. We'll have students that can finish 120 credit hour curriculum in three years, some percentage. And now we have a real shot at having students finish in four years. And when you're measuring your graduation rate on six years, we're gonna see a significant jump. So this is a little bit different thinking. And, oh, by the way, this reduces time on campus. So if you live on campus, you're not paying for housing for all those years. You're not paying for cafeteria food and all the rest that goes with it. So you reduce

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your student debt. So this new look at an academic calendar minimizes travel, minimizes exposure to our faculty and staff because of the reduced travel, concentrates the academic year to a shorter period with not as many breaks, which some people do criticize. And I get that. But again, this is about student success and getting them out the door with their degree faster.

**HILKEMANN:** Because I was thinking you can-- the intersession semester period there that you're having or you're calling it a winter, you could pick up six hours fairly easy in that time period.

**WALTER TED CARTER:** Absolutely. Absolutely. And it will be tailored, every student will have different needs. Some students want a break from taking classes, but might want to take a meaningful internship, whether it be paid or unpaid.

**HILKEMANN:** Right.

**WALTER TED CARTER:** So there-- there's a lot of good opportunity here.

**HILKEMANN:** So you said you have this goal of getting to 60,000 within 5 to 10 years.

**WALTER TED CARTER:** Five to ten years.

**HILKEMANN:** What can we do as a Legislature to, to help you reach that goal?

**WALTER TED CARTER:** I would ask for two things. And it's-- they're not big asks. One you're already doing. And that is this career scholarship program. Let's not lose that. It's slated to grow up to \$8 million, \$16 million total for the, for the entire state. That can go a long way for us to attract new students if we do it right. These are not students that were coming here anyway. These are for new students. One of the things that we did in advance of that you may have noticed or maybe were announcing it today, we just took the entire cost to apply to any one of our campuses off the books. Any student, whether out-of-state or in-state, can apply to the University of Nebraska for free. No application fee. It's about a \$50 savings. It's \$50. So I don't know if, you know, if you have grandkids or kids that are thinking about where to apply to school. But I wouldn't miss that opportunity. So that's, that's just one thing. The second is we've asked for a very modest 2 percent biennium growth on our overall budget. That, that budget increase is only to support where we have gaps in our faculty pay and to look at some of the cost of living things that we just have to, you know, reality of life. None of these

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programs that I've, I've described, none of them would be covered in any of that growth. We have made our own budget cuts to make sure that we can pay for things like Nebraska Promise and any of these other tuition scholarship programs that we've described.

**HILKEMANN:** Final question. Have-- there have been several articles in the World-Herald and also have been published on television about you're cutting some of the smaller programs at UNL. The other day there was one on the fashion design program or something of that sort. How many students does this actually affect?

**WALTER TED CARTER:** Yeah, I'm really glad you asked that, Senator Hilkemann. Just as I described to you how I empower the chancellors to look at how they're going to attract and bring in more students. My job and our job at Central Administration is giving them a policy, give them the, you know, there are left and right limits of how to be effective. We did the same thing with our budget cuts. We knew that we had to get to about a \$43 million cut over three years. That's about a 1.5 percent budget cut when you add it up across all the state-aided budget and different campuses have slightly different targets to go after. I asked the chancellors to figure out how best to do that. So Chancellor Ronnie Green at our flagship at Lincoln, he has worked with a committee to include the faculty senate to determine how best to do that. And they're really focused principally on three bins of money you know. And, and by the way, none of this has anything to do with Husker athletics right now except that Husker athletics is not gonna probably provide the normal \$10 million of scholarship money that they would normally get. That's another impact to his overall budget he's got to live with. But looking at how he did it, just as we did at Varner Hall, you're gonna look at administrative-- administration first. I mean, we get how big we are and we have grown over the years and we have a tendency to grow at administration. So we're right sizing that. We did that first at Varner Hall, we cut our administrative staff, staff 10 percent. We led in front of everybody. And I've asked my campus chancellor leadership to look at the same thing where they're making cuts go after administration first. And that is where they put the largest chunk of their savings. But then after that, you've got to start looking at other programs that include people. So where they have had made some, at least some initial discussions about programs and academic programs that they would cut, they are the smallest numbers. And I'm talking incredibly small. We're talking like 20-some students in that program. Now, that doesn't mean that they have their program taken out from underneath them. They will continue and finish in that program. We're talking about not taking any future students. And that's a little bit of a misunderstood

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concept. When we say we're cutting, you know, either something in dance or the textile industry, those students will continue. They will get their degrees. We just won't take any new students in there. We're also looking at where we have duplication. Now, we may not have that program at Lincoln going forward, but we might still have it in Omaha. So we'll have it here within our state university system. And that is part of how we work across-- collaboratively across the chancellors.

**HILKEMANN:** OK. Thank you, Senator Stinner.

**STINNER:** Additional questions? Seeing none, thank you very much.

**WALTER TED CARTER:** Thank you.

**PAUL TURMAN:** Good morning, Senators.

**STINNER:** Good morning.

**PAUL TURMAN:** My name is Paul Turman, that's spelled P-a-u-l T-u-r-m-a-n. I'm the chancellor of the Nebraska State College System. I've been in this role for roughly about 20 months now. Appreciate the opportunity to visit with you this morning about the critical workforce needs and also where we see COVID coming into play and how we address and work toward meeting some of those challenges down the road. I also undertook a strategic planning process right when I arrived here in Nebraska working to identify four primary areas that we want to set as the outcomes that we have for the state college system, drilled those down into a set of 20 different metrics that all have different benchmarks. And I would say that four of those align very closely with the workforce shortages that we continue to experience making sure that we have the right types of enrollments, growing enrollments, growing the number of graduates that we have in a number of our transfer programs, as well as making sure that we have a high number of students. Eventually once they've graduated, they have-- are placed in a job here in the state of Nebraska. One of the things that's critical about the Career Scholarship Program, which we certainly are very appreciative of the, the support that we have received over this, this last year and into the future is the ability to incorporate the experiential learning opportunities along with that. And that's one of the other things that we've identified on our strategic plan, increasing and growing the number of field experiences, internships, cooperative educational activities that our students are doing to help drive that connection that they have with, with businesses here in the state. This Career Scholarship Program identifies basically seven different kind of degree program areas for

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the state colleges. Those were aligned with our strategic planning process. We worked to look at what the H3 job areas are and how do we make sure that we're meeting those needs. The handout that I provided gives you just a very quick snapshot. I'll point you to the second figure first in that four of those degree programs themselves have seen very steady, consistent growth over the last decade. And one of the primary ones being the, the Rangeland Management program at Chadron, simply because we saw a very good increase as a result of the investment from the state in the rangeland science facility there as well. When I point you to the, the table at the top, we've been relatively stable in criminal justice. We've seen significant growth in business administration. It's the area of education that, that we are seeing, probably our biggest decline and that we've seen roughly about a 36 percent decline over the last decade in the number of students who are enrolling in those particular degree programs. You can see in the table down the bottom the overall percentage of growth or loss in each one of them. But overall, in what we consider to be the programs that are driving the workforce for the state of Nebraska, we've seen about a 9.5 percent decline. The vast majority of that coming in teacher education. If you flip the handout over, I just wanted to give you a quick snapshot of the entire set of education data for the state of Nebraska. On the table-- or the line at the top that's in gray shows the number of fully admitted students into teacher education programs, not just in our system, but the university system and private colleges, as well as then the number of "completers." And we are seeing as a state, a dramatic decrease when you look at the Department of Labor's data for the number of openings that we expect by 2025. That's that 2,458 benchmark that we are at a point very quickly of not even having enough people admitted into the program, let alone those that are completing. And so teacher education as the kind of normal schools for the state of Nebraska, the Peru State, Chadron, and Wayne are critically invested in making sure that a good number of our Career Scholarship Programs go toward trying to rebound and change that "projectory" that we're experiencing now. We were fortunate to have a very good fall last year, a 1.6 percent increase in our total FTE. We saw 1.4 percent increase in the total FTE. And similar to your comment to Senator-- to President Carter, the ability to, to use those dollars flexibly to go after and encourage more students to attend our institutions next year will be one of those things that will be very beneficial. We have three particular programs that are in place at, at each one of our institutions. I'll just highlight those very quickly and certainly answer any questions you might have. You all might be familiar with the Growing Together initiative. That is a partnership between Wayne State and the Aksarben

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Foundation through leadership from former Senator Flood. The work that they're doing in Norfolk to encourage more students to do internships for their entire senior year. And also living in the Norfolk community is a program that we expect to try to expand into other communities in the area as well. We were successful last year with the Peru corrections project, which was really a partnership between Peru and creating a pathway for students to ultimately address the workforce shortage that we're experiencing at Tecumseh, a correctional facility in Tecumseh. Chadron State has also had its rural business institute, an initiative to encourage and foster internships in accounting and agribusiness in the Panhandle, and has worked very aggressively with businesses and industry to try to expand and grow that. When we look at a number of programs that have been also very successful, you're all very familiar with the RHOP program, the RLOP, the Rural Law Opportunity Program. We've also had a very good structured program in place for Cooperating School Scholarships, students who go out into student teaching. Then we provide additional assistance for that support, the mentoring that we were getting from the teachers at that school for them to redirect their students back into the state college. And we're looking to try to reshape that, to encourage that to be scholarship to go directly to students who are going into student teaching down the road. I would say that there is basically, as we look at it, four different things that are probably impacting the way in which workforce trajectories are gonna continue to change into the future. I think it's certainly the rapid attrition in key workforce areas. I think we all are seeing what's happening. Those numbers that I show you on that table or that figure on the second page are a reflection of what our education system looks like now, has nothing to factor in the vast retirements or the attrition that we may see in teacher education, as well as the increased demand that we're gonna experience within healthcare areas as well down the road. We also are starting to see some limitations when it comes to practicum field experience opportunities. To go out into the student teaching experience right now is a very different experience than what students were able to get last fall. Different course schedules, us starting three weeks before a lot of school districts. A lot of school districts not allowing people to come in and do student teaching or asking them to comply with day to day testing. So all of those are things that are gonna continue to be challenging down the road. And we'll want to make sure that we address that. I think we also are gonna see the competing demand in, in the region. The numbers that you see there-- I mean, I'll give it just for education. We're expecting that we'll have a lot of 6.4 percent increase in the need of teacher educators in the state of Nebraska. When you just compare, you take

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one state to the west of us, Colorado. They're expecting a 20.2 percent increase in that same field. When you apply that to nursing, we have a great partnership with UNMC and our RHOP program, 11.6 percent increase that the state of Nebraska needs. Colorado is expecting a 35.7 percent increase. And so I think every policy drive that we can incorporate to find ways to entice students that not only come to the state of Nebraska but how do we keep them here before they leave? And then internships and experiential learning is gonna be one of those activities that we, we run with. I think the last one, just simply the fact that our ongoing capacity for students to afford and attend college is also gonna be very critical. We're continuing to make sure that we're making the best investments that we can. Fifty-two percent of our students are first generation. Forty-one percent of them are Pell eligible. And we would see that the career scholarships helps us continue to attract those types of students that in the past may have struggled to be able to come. I'd be happy to answer any questions that the committee might have as I'm kind of winding out of time. But I appreciate the opportunity to visit about state colleges and the activities that we're engaged in right now.

**STINNER:** Questions? Senator Dorn.

**DORN:** Thank you, Chairman Stinner. Thank you for being here today. You talked a little bit about the Peru and the corrections program down there. Is that up and running or just highlight that a little bit where that's at?

**PAUL TURMAN:** Senator Dorn, very good question. It is-- we are working toward the implementation of hoping to have a few students in that program starting with the spring semester. I think based on the timing of everything similar to what we could do with only a week before the start of the term, not much we could do to market put together the firm agreement with Tecumseh and the Department of Corrections. And so we're very close to having that agreement all fleshed out on the scholarship values. What is it that students do? I mean, it's, it's basically there to address both a long-term and a short-term challenge that, that Tecumseh's facing. Students starting in, in their third semester basically are doing internships for up to 24 hours a week at the facility. So it's addressing some of that ongoing forced overtime that they have in place with a goal that those students would still-- would also work part-time during the summer as well. So they're doing essentially six semesters of internship activity at the, at the prison. And we've tried to fashion it. I mean, you think about the ROTC program. You train people, young students to-- in ROTC at our institutions with a goal that once they're done, they go and they

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serve in the military and they go at a rank of a lieutenant or higher in this program is designed that we put them through an internship program that is capable to have them apply for sergeant level types of positions because of the amount of time and engagement that they've had at the prison. And we hope that engagement really ties into a career in corrections down the road.

**DORN:** Do you know, has there been much interest or a much student activity as far as the finding out about it?

**PAUL TURMAN:** We certainly, Senator Dorn, we've certainly have had students who are interested and we're gonna target just five, but then it's gonna grow to we'll have 25 new students next fall. And so we believe that we can hit that benchmark in the marketing efforts that we'll be able to do in October moving through the, the next recruitment cycle.

**DORN:** Thank you.

**STINNER:** Questions? I'll be a little more direct and concise in my question. We allocated \$1 million for career scholarships. How many dollars went out for this semester?

**PAUL TURMAN:** I would say that the vast majority-- I, I don't have a firm number, but I can certainly get that for you, Senator. We have targeted to distribute a, a large number of those during the spring. Our ability to allocate those toward transfer students as a part of the legislation will help us do that. But the flexibility to really target and, and utilize those and potential future dollars for next fall would be the, the mechanism where we're actually seeing a net new student as a result of the program itself.

**STINNER:** OK. Thank you. Is the scholarship program that we put together in this with the \$10,000 limit, is that an acceptable number? Does-- is that-- give us an advantage competitively over what you're seeing out in the marketplace?

**PAUL TURMAN:** I believe that is a good, good number for the State College System. Looking at the our overall net price being right at about \$13,000 a year. And we would also continue to leverage our own remission and waiver dollars incorporated into that pool. So I think that gives the, the institutions the flexibility to use those dollars in a wide number, number of ways. Sometimes that may mean a \$2,500 award is what will attract a student. Other times your-- certainly your high flying students, high merit based ones being able to go as

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high as, as \$10,000 and also incorporate room and board and other things that right now we have not done in the past certainly is a very strong benefit for us.

**STINNER:** Thank you for that. Additional questions? Senator Hilkemann.

**HILKEMANN:** Yeah, just, just a couple of comments. First thing I saw when you passed out that was that minus 36 percent for the education thing. And I'm, I'm one of these old enough for when we used to call them teachers' colleges and I thought that, that we, we kind of gotten away from that for sure. What percentage of your students are from Nebraska?

**PAUL TURMAN:** Senator, I can certainly get you the exact breakdown. It's roughly about 30. If I said as a system, I would say 30 are nonresidents. So we have more than 70 percent of our students are from the state of Nebraska. And that varies dramatically at each one of the college locations. I would say Wayne State is, is less than 20 percent of nonresident students. And Chadron, because of its ability to recruit from Colorado, Wyoming, and South Dakota, has something more around 40 percent. And as it merges out, it's just under 30 for its overall nonresident numbers.

**HILKEMANN:** While the number of students going into education is, is decreasing, what about the quality of the students that are going into education?

**PAUL TURMAN:** Senator, I don't know that we've seen any issues with the quality of our education. We've actually continued to work to expand how we deliver teacher education. Chadron is the first to kind of begin to experiment with the year-long residency. So you're not just doing one semester, you're getting actually two full semesters. You walk in at the beginning of the semester and you understand all the testing and assessment components that you'll be exposed to once you arrive. And we're looking to work to expand that to the other institutions as well. But I've not seen any data that would suggest we have any challenges with the quality of the candidates that we produce. The probably the only issue is can we find ways to make sure that our district can attract them and keep them once we've been able to get them through their entire educational cycle.

**HILKEMANN:** Are we able to get most of the students for-- education students completed by the four-year period of time now?

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**PAUL TURMAN:** I would say the vast majority are able to complete that within four years. The only ones that would not would be anyone that takes on maybe additional endorsements to make themselves more competitive in sometimes a rural school districts where, you know, a large school district will have somebody who teaches nothing but chemistry. If I become the science teacher at a rural district, I'm likely to need background and exposure and endorsements in both biology, chemistry, and maybe even physics as well. So I would say that would be the one thing that limits a vast majority or a student who maybe does a double elementary education. Special education does require a little bit more time. And those are the, the reasons why a student doesn't finish normally within four years.

**HILKEMANN:** Thank you.

**STINNER:** Yeah, I'd, I'd almost like to have-- I sit on the Planning Committee and Senator Vargas is over here, but I'd almost like to have a breakout of what-- how many elementary ed students? How many music teachers? How many math teachers? So on and so forth. So we can have a pretty good idea of that trajectory. This is first time I've seen this. Obviously, wages affecting what kids are going into or people are going into. So this has been enlightening, actually.

**PAUL TURMAN:** I-- we'll provide that information for you.

**STINNER:** Senator Vargas.

**VARGAS:** And more of-- so I would welcome looking into that more. I know we've, we've talked about competitively within the region. There's ways that we can make entering into the education profession and still going through the college route of, you know, getting a graduate degree or going to like, you know, the state college system or university system. But we run into some competitive issues in terms of barriers to reciprocity of entering into the system here. We've worked on legislation. We haven't been able to get that legislation through the-- through yet. But I think if we did, we might-- we would actually see a more competitive-- this number would probably go up because we'd be making it easier to get into the profession and go to, to institutions like yours. So,--

**PAUL TURMAN:** Yeah.

**VARGAS:** --yeah. So the same thing, I look forward to looking at that data. We can connect on that afterwards.

**PAUL TURMAN:** OK.

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**STINNER:** Additional questions? Seeing none, thank you.

**PAUL TURMAN:** Thank you, Senator.

**STINNER:** Good morning.

**JONA VAN DEUN:** Good morning. My name is Jona Van Deun, Jona J-o-n-a, Van Deun, V-a-n D-e-u-n. I'm the president of the Nebraska Tech Collaborative and Aksarben Workforce Initiative. And I'm here to testify in favor of your interim study. So thank you, Mr. Chairman. Thank you for members of the committee for allowing us-- allowing me to come and talk to you today about what we do. The Nebraska Tech Collaborative is a business led organization representing over 100 partners in business, education, nonprofits, and government. We're comprised of CEOs, CIOs, and senior executives at every level, all working together for one mission to develop, retain, and attract tech talent and entrepreneurs to the state of Nebraska. The NTC is special, I always say, because we are able to convene leadership of companies and organizations, aggregate information, and connect our partners with the right solutions. Prior to the COVID pandemic, the NTC began the process of defining what is tech and creating a more common lexicon around the tech talent ecosystem. We needed to have a baseline to gauge our success and our failure. In understanding the tech worker landscape, we must have an in-depth understanding, understanding of the entire workforce pipeline here in Nebraska. We're currently conducting an inventory of groups and organizations who administer tech training and educational programs on behalf of business. Prior to the beginning, we didn't know the answer to simple questions. How many tech workers are in Nebraska? How many open tech positions are here or in throughout the state? How many jobs? How many, how many of these jobs of the future? And what do these positions pay? When COVID began, everything stopped. But Nebraska Tech kept going. Our tech businesses continue to innovate and move forward to solve problems around what we as Nebraskans do best. Agriculture, healthcare, advanced manufacturing, and finance and investment. And as you can imagine, the CEOs and senior level executives at the NTC have all partnered and they all have their own ideas on the most effective way to solve this talent crisis. But the NTC is less interested in various one-off solutions and we're more interested in working with everyone. We recognize that there's no magic bullet and that implementing solutions that move the needle won't be accomplished overnight. Therefore, we rallied around four major goals: create 10,000 new tech jobs in the state of Nebraska over a five year time period. The state actually did this over a ten year time period, but we think we could cut that in half. By creating 10,000 new tech jobs, we'll create buzz around the

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field of technology for future students, as you heard from President Carter and Chancellor Turman, and companies and showcase Nebraska as an incredible place to work in tech while raising a family and living the good life. There's a lot happening here. And we often don't credit ourselves for being the innovators that we are. Tech is always a growth point in a time of crisis. And during the pandemic, pandemic, Nebraskans demonstrated that our tech ecosystem could continue to grow and expand. While we saw some of our peers in tech, especially in hospitality, leisure and travel, destroyed by these shutdowns, other companies here in Nebraska, in e-commerce and healthcare and agriculture had incredible success. The second goal that we rally around is to increase diversity in tech, 40 percent women and 20 percent to underrepresented groups. Now, tech hasn't had the best reputation in hiring and promoting or even developing women or people of color, color historically. But we aim to change that. Nebraska companies should want to emulate the economics of the West and East Coast without their shortfalls. Embracing diversity is how we're all going to evolve and grow as a state. We must be intentional around hiring, training, and promoting talent even if they don't look like us. Third, create 300 new tech companies by 2025. As a tech community, we recognize that in order for Nebraska's economy to expand, we must grow the number of tech businesses. Appraising a piece of land or building is easy, but we don't see the type of value and intellectual property or in taking a chance on a company making-- taking a chance on a company and making the necessary investments. We aim to change this within five years. Now, the state actually did this over a ten year time period in creating 379 businesses. We think we can cut that in half. And finally, we have an incredible story to tell. So our fourth goal is to increase Nebraska's tech profile, taking a concerted effort and promoting Nebraska companies' talent, tech culture. We're not waiting on anyone to evangelize about emerging technology.

Nebraska's hallmark competencies include agriculture, healthcare, finance and investment and advanced manufacturing. It's imperative that other states see and hear our success stories. With this enhanced reputation, Nebraska will be better able to retain and recruit more talent, find more capital, and seize the brain drain we've been experiencing statewide. So your interim study is really important to us. Nebraskans need better data around the types of careers available in high growth areas and what the pathways are for them to reach these destinations. We need to clarify that state and federal programs of high wage, high demand, high skill jobs and educate our residents that they don't need to leave the state to find these opportunities. By creating greater connectivity for dual credit scholarships and targeted postsecondary institution scholarships, more students from

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all walks of life can participate in Nebraska's higher education system, and we hope to steer them into tech careers. Once this information is known, we at the NTC are here to help you. We want to help socialize this information with our partners, new tech startups, and other tech companies looking to relocate here. The NTC has seven standing committees, each looking at different interventions and where we in the business community can solve this talent shortage. PK-12, internships, diversity and inclusion, career change in veterans, talent attraction, startups, and higher education have, have allowed us a glimpse inside this pipeline. Our Higher Education Committee quickly determine the need to understand why these tech worker shortages were occurring. And we're losing young people between the 18-- the ages of 18 to 34 to our surrounding neighbors. How do we stop this hemorrhaging of talent? Like any good group of business leaders, they gather to share their experience, data, best practices, and possible solutions. We understand the challenges that are-- that postsecondary education is facing. But the NTC and our committees, and our committees are excited to be working with President Carter, Chancellor Turman, Chancellor Adams, along with several of Nebraska's private colleges, to find better collaboration between higher education and the business community. And they all are part of our organization. We're working to put more tech-- more students into tech internships. We're partnering at the Raikes school and looking at pairing students with tech businesses to fill the needs of business with the necessary workers, providing a tech ecosystem with new workers, workers dedicated to solving these problems. The goal is by helping make this introduction between students and business. This will form lasting relationships between the two ensuring that these workers stay in the state and work in the Nebraska tech industry. Now, the NTC exists because the business community wanted to make sure that we articulated the type of talent we needed from higher education and what businesses and skills that they need to thrive and grow. The message needs to be clearly communicated to all areas across K-12 and higher education, not-for-profit systems, and government. We must all work together to create lasting change. We cannot stay silent or hope that someone will notice that we're facing this challenge, this tech talent shortage. So the tech talent shortage that you're all talking about long-- began long before COVID. The NTC is here as a resource to your committee. We're creating better windows into the pipeline of tech, which we feel will be useful to your work here as the committee. So, again, thank you, Chairman Stinner and the rest of the committee for your time. And I have submitted my formal testimony for the record, and I'd be happy to answer any questions.

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**STINNER:** Any questions? Senator Vargas.

**JONA VAN DEUN:** Yes, sir.

**VARGAS:** I'll have to connect with you after this. And this is great that you're here--

**JONA VAN DEUN:** Thank you.

**VARGAS:** --for people that don't know this. Nebraska is one of two states without categorical state funding for career and technical funding. And it's a huge growth opportunity for, for STEM and for tech in Nebraska. That's something we, we were looking at here in terms of interim study. Planning Committee has prioritized, as one of the five priorities this last year, retaining 18 to 35 year olds. I think it's one of the reasons why we looked at-- and tax incentives is one of the things that we prioritized this last year. We passed into this big package and we need to continue to find other ways to retain our 18 to 35 year olds. So I'll, I'll connect with you afterwards.

**JONA VAN DEUN:** That would be great.

**VARGAS:** Thank you for being here.

**JONA VAN DEUN:** Thank you.

**VARGAS:** It was great.

**STINNER:** Thank you. Additional questions? Seeing none, we are looking forward to working with you as we move forward on this subject. So thank you.

**JONA VAN DEUN:** Thank you. We're here.

**MATT GOTSCHALL:** Good morning.

**STINNER:** Good morning.

**MATT GOTSCHALL:** My name is Matt Gotschall, M-a-t-t, Gotschall, G-o-t-s-c-h-a-l-l, and I am the college president at Central Community College. So thank you very much for, for having this interim study and inviting us to participate. I also, again, definitely as some of the others have said want to thank you for your, your past support. Just this last legislative session, your, your direct support helping all the Nebraska higher education institutions are appreciated especially. And then also the additional support you provide for dual credit

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college programming with the high schools, funding for the unemployed and underemployed adults, and then scholarships for low-income Nebraska residents. By statute, Central Community College serves 25 counties in central and south central Nebraska. Unfortunately, I don't think any of our senators, 11 senators are on this committee, but, but we, we do-- and this is an opportunity for me to tell you a little bit about our art college. We offer 35 career and technical programs as well as academic programs, some of them which are unique to the state, including the heavy equipment operator technician, dental hygiene at the associate degree level, quality control technology, environmental health and safety, and occupational therapy assistant. Our communities in Central Community College have campuses in Grand Island, Hastings and Columbus, as well as we own or lease facilities in Kearney, Holdrege, Lexington, and Ord. Nearly 90 percent of our graduates continue their education or go to work in Nebraska. We do greatly appreciate the state's investment in the community college efforts to assist the local property taxpayers for paying a higher percentage of the program offerings by providing some state support and allowing students to receive cost effective education to get higher wage careers in Nebraska communities. Employer satisfaction with preparation of CCC graduates exceeds 94 percent. The Nebraska Department of Labor lists over 250 H3 occupations. The Nebraska community colleges, not only Central, but, but all 6 of us, offer over 90 of those programs directly, training registered and licensed nurses, construction and industrial production managers, health information management personnel, agriculture workers, welders, diesel and auto mechanics, electricians, and graphic designers. Our academic transfer programs and the sciences and arts also provide affordable courses in preparation for the other 160 occupations on that list. Central has over 70 short-term, which are 12 credit hours or less training programs also approved by the Nebraska Department of Labor, leading to current employment opportunities by Nebraska employers even post COVID. A couple of examples I thought I would share with you. It showing some of the public-private partnerships, which Central Community College is involved in. One is with Tyson Foods in Lexington, who had a need for industrial maintenance technicians. One of those high skill, high wage, and high demand positions on that list. But they couldn't find enough viable candidates. But through the financial and programmatic support between Tyson Foods, Central Community College, city of Lexington, the Aksarben Foundation, and the Nebraska Department of Labor, we were able to remodel a facility in Lexington and equipment to begin training over a dozen individuals in a 12-month program in industrial maintenance, computers, and welding. The local individuals are annually selected and employed by Tyson to

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attend classes each morning, and then they go to work at Tyson in the afternoon. Another example of the public-private partnerships involve diesel technology students where scholarships are provided and part-time employment by Nebraska machinery. They select the students from across the state who come and complete the coursework on the CCC Hastings campus for two years, but then work in the dealerships during college breaks and during the summer. So Central Community College does join our community college peers in educating the current and future workforce in Nebraska. We do appreciate your continued support in making this a collective effort to model for other states. Thank you for your consideration of this testimony. In anticipation of a couple questions that I've heard you ask earlier, we certainly do work very closely with, with business and industry initiatives, whether it be with our local chamber of commerces. We have actually some faculty who are gonna participate in the program that you just heard about to talk about how to get more individuals working into the IT career areas. Our strong emphasis in our high schools are really critical in order to help get students thinking about some of these careers early while they are still in high school, getting 6, 12, maybe 24 or 30 credit hours of classes completed while still in high school. So if they decide they want to come to the community college, that can be seamless, or if they do decide they want to transfer on and to join one-- go to one of the universities. In terms of diversity, we have made that a priority as well. I'm very pleased that Central, we're over 23 percent now, Hispanic, Latino and and so very pleased about that growing number and the work that we're doing to, to increase the diversity and, and make ourselves accessible to students from, from multiple backgrounds. So open to other questions you might have.

**STINNER:** Questions? Senator Clements.

**CLEMENTS:** Thank you, Mr. Chairman. Thank you, sir, for being here. I was curious about the dual enrollment, the high school participation, are there fees to the high school students to participate in that?

**MATT GOTSCHALL:** Yes, there are, and it will vary. In, in the past, Central has charged the same, same tuition rate for, for any student in, in dual credit classes. Just this year, though, in part because of the additional funding that was provided by the Legislature, we were able to reach some agreements with some schools in order to, to reduce that to only \$15 per credit hour, which covers our student fees. And so in, in situations where the high school may be providing the, the qualified instructor for that class, we are not charging students any tuition for that. And we'll be instead of just collecting some student fees. So we just-- I just figured out or we were looking at

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approximately \$230,000 of savings to students because of that just for this fall semester. So, again, students are definitely taking advantage of it. But if this school district is providing the instructor, then we're reducing that tuition. If we are providing the instructor or the student is coming to our campuses, then it is the full price at \$170 a credit hour.

**CLEMENTS:** And have you feel an increase in the number of students doing that?

**MATT GOTSCHALL:** Yes and no. There is an increase of students interested in, in taking classes. Unfortunately with the COVID situation, it really did impact our ability to get in there in the spring to help to educate the juniors and seniors about that program and their parents, as well as even some schools this fall had some restrictions on having external people come in and do that enrollment. So immediately, no, not a huge increase, but we definitely expect it to, again, starting as early as even this spring semester as now students are back in session at the high schools.

**CLEMENTS:** Yeah, that's understandable. Thank you.

**STINNER:** Additional questions? Seeing none, thank you very much.

**MATT GOTSCHALL:** Thank you very much.

**PAUL ILLICH:** Good morning. My name is Paul Illich, P-a-u-l I-l-l-i-c-h, and I'm the president at Southeast Community College. I'm gonna cover a few points that we've heard. Well, I'm gonna try not to be redundant with those points we've heard. I've got a couple of things I wanted to mention. I came here in 2014 and one of the first things I was asked to do by my board was very similar to what you're studying. They asked me to sort of take the college to the next level. The first thing we had to do is figure out what that was. So we developed a strategic plan, and what we discovered was we lacked the capacity to produce a qualified workforce at SCC. We had-- we were producing about 16,000 graduates every 10 years in exactly those same areas where we had shortages. So for us, and all of the colleges have been doing this, but for us, we really made that launch in 2015. For example, we had programs where you might have to wait two or three years to get, to get into a nursing program, many of our health sciences. We had a waiting list in, in areas where we actually had massive shortages. So one of the things I looked at before the hearing this morning, I looked at the Nebraska Department of Labor website. In their H3 area, if you look at the health sciences, they had 2,400

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openings, annual openings in, in the health sciences in all those occupations that were considered high demand, high wage. While the Nebraska community colleges produce in total 700 graduates, a little over 700 graduates in all of health sciences, I only looked at 9 of the, of the health science occupational areas. So a massive shortage there. So for us, our journey started with basically launching a facilities master plan. So in the last five years, we've been really looking on building our capacity to do exactly what this committee is studying. So I can tell you in about two weeks, we're gonna open up an 82,000 square foot health science facility. Back in fall of '19, we opened up a 52,000 square foot diesel technology and welding center. It's called the Crete Carrier Diesel Technology and Welding Center. It hosts a two programs are host-- both-- they serve as mechanics for the diesel trucks as well as for ag equipment. The health science building is gonna support 16-- all, all of our 16 health science programs. So for us, and again, all of the colleges have been going through this over the last, you know, 20, 30 years. But for us, we knew we had to make a very deliberate attempt to basically allow us to expand our capacity to generate a skilled workforce. The other thing I wanted to point out. We also are working, and we heard it from President Gotschall, we're all working on our ability to increase the pipeline. So we have career academies. We have one in Lincoln that serves about 600 students and 16 career and technical pathways. We also have a number of career academies throughout our 15 county service area. The other thing we've done is we added six learning centers throughout our rural counties in order to really try to increase the skilled workforce in those areas. The last thing I wanted to mention that I think is extremely important, all of the community colleges, we do more than just offer associate degrees or certification. We do what's called contract training. So, for example, recently Kawasaki came to us. We have 50 of their, 50 of their workers came to us for specialized training in welding. We do that-- we do similar training for the railroad companies, Burlington Northern. We do a lot of their training so that, that training can go from three days all the way up to several months in terms of like an intern-- a co-op or internship. So we do a lot of different things, not just the associate degrees or certifications. We want to meet, we want to meet the workforce needs exactly where they're at. So it's really been a wonderful opportunity to be, you know, getting our capacities where they're supposed to be. We're just now getting to where we'll be opening those facilities and going after this massive issue for Nebraska. So with that, I'll take any questions that you might have.

**STINNER:** Questions? Senator Dorn.

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**DORN:** Thank you, Chairman Stinner. Thank you for bringing this up about-- I call it the, the waiting period or whatever. Over the years when people always talked about community college, certain programs were out there. Well, I'm gonna go to work for a year and then I'm go to community college because of the backlog. Is that changing or has that changed or how quick do you see your program, that new development and stuff changing that so we don't have that wait period? 'Cause I think one thing about this whole process is we realize that in certain critical areas there definitely is a workforce shortage.

**PAUL ILLICH:** So thank you for that question. We didn't wait for the buildings to come up to start addressing that. We started looking at having different type of sessions, different time of day. One of the things we really focus on at the community college, about 75 to 80 percent of our students work. Most of our students are first generation. Many of our students are low income, so we have to pay attention if they're working, they have to have a block of time to work in a block of time to attend the community college. So one of the ways we've addressed some of those waiting lists is we've really looked at the demand. What is it that the student needs? What time of day? So we look at, you know, whether we offer courses in the morning, afternoon, evening. So that's one way we've begun to address it. We've adjusted our schedules to try to increase our capacity. And most colleges and universities, you'll see a, a down period with their facilities at some point. So we've really tried to ramp that up, for example, in our welding program. We'll be teaching that from 7:00 in the morning till 9:00 at night. So that's one way we've been trying to address that. The other thing, obviously, is to add those additional space in our facilities.

**DORN:** So, so do you, do, do you have any, I, I guess, any areas that you right now have a long wait period for students to get in? You still do?

**PAUL ILLICH:** Well, we really don't. We've eliminated-- we, we, we don't necessarily keep a list like we did in the past, because what we found, those students weren't really gonna wait. We call them back and then we were making it difficult for those that were ready to go in right now. What I would tell you as an example in Milford in speaking of the COVID situation and I anticipate this to continue, I think this might be a, a long-term reset in higher education. We'll see how that plays out. But we saw a 7 percent increase in Milford, on our Milford campus because that's primarily where we have our heavy tech type program, 7 percent. We saw a 15 percent increase in our STEM, STEM majors across all of our campuses. So I, I expect that to continue.

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But what we do have in Milford and we don't want to have this, we want to change this. We're already at capacity in, I think, eight or nine of our programs this fall. So that is a waiting list. They may not be on a waiting list, but if they can't come into the program because we don't have the space, that's a waiting list. We need to eliminate those. And that's exactly what we're doing. This issue that you're studying is extremely important issue. And I don't think the community colleges and everyone else, you know, we're-- we've, we've been at that conversation for a long time. And I appreciate, as the others have said, your support has been incredible. This, this state does a wonderful job of investing in, in all aspects of education. So I appreciate that.

**DORN:** Thank you, Paul.

**STINNER:** Additional questions? Senator Clements.

**CLEMENTS:** Thank you, Mr. Chairman. Thank you, Mr. Illich, for being here. We had a report from the state colleges of the big decrease in teacher education. And I wondered if the community colleges have any programs that lead into teacher education.

**PAUL ILLICH:** Yeah, we do have, we have an early childhood-- we have early elementary associate degree program that leads into that. And I don't have those numbers in front of me. I don't believe we've seen similar decreases in those areas. But I can look into that.

**CLEMENTS:** And the idea then they go onto a four-year program to complete their--

**PAUL ILLICH:** Exactly.

**CLEMENTS:** --certification?

**PAUL ILLICH:** Elementary education. Yes.

**CLEMENTS:** OK. I just wasn't sure that you had that. That's good to know because I think the-- some of the resistance might be the cost of going straight into a four-year college. Glad to hear that a community college could start off with an education degree.

**PAUL ILLICH:** That-- your comment about affordability made me think of a, a scholarship I wanted to mention to make sure the senators were aware of it. We have a scholarship program called Learn to Dream, and it's been in place for over ten years. Up until two years ago, it only covered the first year, but it was, it was all tuition and fees. Two

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years ago, another benefactor came in and now they offer the second year. What's fascinating about the Learn to Dream Scholarship so you can earn an associate degree at SCC in the current technical academic transfer tuition free. Now here's what's fascinating, very few Promise programs actually, are what's called first dollar. Almost all of them are last dollar, meaning you use your Pell first and then whatever leftover you can, you can utilize those scholarship dollars, but not this program. It's very unique. So it's a first dollar program. I mean, you can use all of the scholarship money for tuition and fees. That leaves all for community college, for SCC, that leaves all of your Pell for living expenses. And that's a huge, huge benefit. So we're looking at putting housing on our 88 and O campus to bring in those students that would have that opportunity to live right there on campus. And we know that really helps with success rates, if they're right there.

**CLEMENTS:** Which campus?

**PAUL ILLICH:** This would be the 88 and O campus. And here in Lincoln.

**CLEMENTS:** Oh, all right.

**PAUL ILLICH:** It currently does not have student housing.

**CLEMENTS:** Thank you.

**STINNER:** Additional questions? Seeing none, thank you.

**PAUL ILLICH:** Thank you.

**STINNER:** Good morning.

**MIKE BAUMGARTNER:** It's nice to have that off. Good morning. Good morning, Chairman Stinner and members of the Appropriations Committee. My name is Mike Baumgartner, M-i-k-e B-a-u-m-g-a-r-t-n-e-r. I'm the executive director of the Coordinating Commission for Postsecondary Education. And I'm here today to discuss briefly how the state can address workforce and talent shortage through greater support for need-based financial aid programs. We need more Nebraskans with postsecondary degrees and credentials into filling high wage, high demand, and high skill jobs in Nebraska. In fact, I believe, and my commission does that we should set a state goal of 70 percent of Nebraskans ages 25 to 34, having a degree, certificate diploma, or other postsecondary credential of recognized value by 2030. By the Lumina Foundation's estimate, we're at about 55 percent for that age group. One way to do this is through the Nebraska Career Scholarships

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aimed directly at students entering specific H3 programs. And the Coordination-- Coordinating Commission strongly supports that strategy. Another way is to make higher education more affordable to tens of thousands of needy, needy students across all Nebraska institutions. And that means additional support for state-need based aid. U.S. Department of Education studies show that over 80 percent of American ninth graders would like to get some type of postsecondary credential. The great majority of bachelor's degree or higher. However, subsequent research following ninth graders over seven years finds that three years after high school graduation, only 37 percent of the lowest income quintile has entered and remained in college, compared to 68 percent of the second highest income quintile and 82 percent of the highest. Unfortunately, we see a similar pattern in Nebraska. Only 57 percent of low-income 2019 public high school graduates continued into postsecondary education within a year of graduating, compared to 77 percent of non-low-income Nebraskan graduates. That means about 1,500 potential students each year who would probably like to and should be pursuing education and training needed to better our economy didn't get started in a timely manner. And on the second page of what I've handed out to you, you can see how that lines up in terms of low income and gender and race and ethnicity. There are a lot of students, if they were going onto college at the same rate as white, non-Hispanic students, we would get about 1,500 more students a year. Turning specifically to programs, I'm going to start with the Access College Early Scholarship Program that is referenced in LR389, paragraph 9 by function. This is the state's dual credit scholarship program. It pays tuition and mandatory fees for eligible low-income Nebraska high school students enrolled in dual enrollment and early admit colleges. For FY '21, \$1.1 million is appropriated from the General Fund for the ACE program. And you can see that historical funding in the back of one of the handouts that I've given you that would be the fourth page in. That was one of the questions or one of the issues in, in the LR. Increases have been minimal over the last five years that we greatly appreciate the Appropriations Committee support for the ongoing increase of \$150,000 beginning in FY '20. In 2018-19, the program served 2,309 students from 223 high schools receiving 400-- 4,057 scholarships. The average scholarship was \$245. Our financial aid officer is right now in the process of going to every campus in the state and auditing. So I don't have complete information for the most recent fiscal year. I'll have it for you in a month or so. And by the time we come with our appropriations request, I will certainly have that. ACE scholarships are by statute awarded first come, first serve. And the commission limits the number of scholarships each year that each student can

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receive so that we can serve more students. This year I would say, unfortunately, we're limiting ACE recipients to two awards apiece. In the past 2 years, we've had to turn away about 500 applicants each year due to lack of funding. ACE scholarship recipients are very successful in their dual enrollment classes, and they continue on to college at a much higher rate than low-income students who do not take dual credit. The rate of continuation is even, even higher than that of non-low-income students overall. They take classes from across the curriculum, courses in career in tech fields and courses that will fulfill required general ed requirements for diplomas, certificates, associate's and bachelor's degrees. There are many students taking a career in tech field courses, but general ed courses overall are the most popular because they actually apply to every degree that students will be going into in the future. Ultimately, I'd like to see dual credit be free for all high school students like our neighbors in Iowa and Colorado or at a minimum fee for our students in technical courses like Kansas. I believe it's simply unfair to deprive poor high school students of the same opportunities as the more fortunate classmates. And I was very, very pleased to see both the support for dual credit and the addition to the community colleges in the current year appropriations. And in, as I mentioned, the increase we saw last year. Moving ahead to the Nebraska Opportunity Grant program. This provides need-based financial aid to Nebraska undergraduates attending Nebraska colleges and universities, including independent colleges and universities, in pursuit of undergraduate credentials. It's a relatively small program. Nebraska ranks 35th in the country in need-based aid for FTE. But it's a very successful program. Grant recipients graduate and contribute to Nebraska's economy in many ways and fields, you can see in the handout that I've given on the back page of the Nebraska Opportunity Grant handout. The fields that they're going into by major and they're going into things across the board. They're going into education. They're going into STEM. They're going into health. They're going to business. They're, they're-- this is not a program that's targeted specific fields. But you can see that they are going into, into every field of need in the state. The NOG distribution is calculated-- is distributed to eligible institutions according to a statutory formula. I have included in the handout to the FY '22 distribution by campus. It's a decentralized program, meaning that participating institutions determine who receives the Nebraska Opportunity Grant and the amount each receives, capped at one half of tuition and fees for UNL at the previous year. So the maximum award would be, I would say, probably about \$4,400. This allows institutions to package NOG dollars to meet the most pressing needs among their students. In 2018-19, 12,753 students received awards

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which averaged \$1,410. Thanks to lottery funds, the NOG program has been stable and predictable for postsecondary institutions, even during tight budgets. The stability is important to institutions packaging financial awards for appropriation levels are set and provides us some security from potential mid-biennium reductions. Lottery funds have allowed measured, but steady program growth, as lottery transfers have increased, although at FY '20s transfer was down considerably from previous three years. We are very grateful to the Appropriations Committee for the extra million dollars included for FY '21. That was the first substantial increase in general funds for this program in over a decade. And that will make a big difference. In 2018-19, 22,000 eligible students did not receive an award and eligible institutions reported that Pell eligible Nebraskans faced \$206 million in unmet need that year. We will be coming to you in a matter of months with our request for the coming year. We are asking for a small increase each year. I would like to ask for a large increase, but this is not, not the right year for that, but still be asking for money. Let me turn to the Community College Gap Assistance Program. It's a relatively new program. It was implemented in 2017, targeting 12 occupational fields that have been identified as in demand, including healthcare, transportation and logistics, construction, metals and manufacturing, information technology and others. It can only be used by Nebraska residents with incomes at or below 250 percent of the poverty level for programs not covered by other financial aid. That means that these programs must be noncredit or programs that are for credit, but too short to be funded by the Pell Grant. These are students who can't get Pell Grants or Nebraska Opportunity Grant program funds otherwise. The program is administered on each campus and the colleges determines student eligibility, track outcomes, deliver the education, and market the program. As of today, we have 293 approved programs and 12 in demand occupations, including about 70 added as a result of the passage of LB180 in 2019. Seven hundred and fifty-three Nebraskans have completed training programs since Gap got underway. The Gap program currently receives about \$1.8 million from the Education Improvement Fund, lottery funds that is each year by statute, no more than \$1.5 million can be awarded from the fund during any fiscal year. Up to this point, Metro and Central have been the biggest users of the program. Unfortunately, the Gap program was strongly affected by COVID-19 in the spring. More so than other programs because these are hands-on programs and they start at different times in the year. So every colleges had to send students home to get online. That, that curbed, curbed the effectiveness of the program, which was too bad because with the addition of the non-- of the four credit non-Pell eligible programs, we were starting to see an

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expansion. So I'm hoping to see that pick up. I think we will in time. It's still reaching its potential. It's a vital addition to the state's postsecondary affordability arsenal. And Nebraska was, was an early adopter of that. If you're interested in considering options for working adults in the future and a lot of the focus today has been on, on traditional, traditional students. And you look at the Gap program, you might want to consider an adult promise program like Gap, but including associates and certificate's in high need fields that are also eligible for Pell. That would give us the ability to do easy statewide messaging like the University's Nebraska Promise Program. Some of the states around us, Iowa's Future Ready Last-Dollar Scholarship, Missouri's Fast Track, the Indiana Adult Student Grant, the Indiana Workforce Ready Grant. They are those promise programs for short-term workforce training that leads to a diploma certificate and a degree. I, I think that would be an interesting expansion of, of the Gap program and probably a natural extension from going from noncredit to Pell eligible-- or to non-Pell eligible. If you had such a program, I would think that the Pell Grant would cover most of the cost. It would be a last dollar scholarship. And that, I think, would help us with one of the issues we're facing, which is marketing with the program. Just, just an idea I wanted to throw out there. We have expanded Gap once before, and I think in combination with the Pell Grant, that, that might be another opportunity to meet those adult workforce challenges. And with that, I would be happy to try to answer any questions you have.

**STINNER:** Questions? Seeing-- oh, Senator Hilkemann.

**HILKEMANN:** Just, just quick question. I just-- on these NOG grants, the-- I see that these are-- students apply for these. Is this correct?

**MIKE BAUMGARTNER:** They-- it is done through the Pell application. There's no separate application. So whenever a student applies for financial aid to the college or university, they will be considered for Pell if they meet the eligibility criteria without a separate state or institutional application.

**HILKEMANN:** I just notice that, that there's, there's quite a diverse range on independent colleges as far as how much goes to some of the different universities. Is that more students-- I happen to be a Wesleyan graduate--

**MIKE BAUMGARTNER:** Yes.

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**HILKEMANN:** --and I see they had \$679,000. It's compared to, say, Doane at \$307,000. But why would they have more?

**MIKE BAUMGARTNER:** It's distributed by a formula that looked at the number of FTE eligible students you have. So we collect from each institution the number of Pell eligible plus 10 percent. We look at the expected family contribution. That is the political requirement than add 10 percent of that to get a little bit above, above what Pell eligibility would be. And we say, how many FTE students do you have that meet that? And then we multiply that. We get everybody's full number of FTE. Then we multiply that by the capped tuition at UNL's tuition. So that Wesleyan that might charge \$30,000 is gonna be capped at \$9,000 for this calculation. And it's just based on their proportion of FTEs. So it just looks, looks across for each institution, how many students they have that, that fall into eligibility. It's a statutory formula. And I put the allocation in for this year. You can see how it's changed over time. You can see that the extra million dollars that you included this year, along with extra, extra lottery funds, is, is making a big difference too. We've had a big jump in this year. And institutions will decide how they want to distribute it. So if they have 100 students and they only have \$100,000, they will look at the need of students to try to figure out how to make sure they use the NOG dollars to meet the most needs that they can for the eligible students.

**STINNER:** Senator Dorn.

**DORN:** Thank you, Chairman Stinner. Thank you for being here today. You mentioned a little bit about COVID and, and maybe some of the issues that's had with maybe, I don't know, the applications or the dollar amounts or all that. Is, is the need for the funding still there or do you see-- I guess, do you see in the spring semester or is it gonna take until next year for-- I call it this COVID issue for the higher education part of our economy to cycle through? I don't-- do you understand what I'm asking you?

**MIKE BAUMGARTNER:** Yeah, I do. Thank you. For the Nebraska Opportunity Grant program and the ACE program, demand far, far, far exceeds the available resources so that, that is never an issue. We can put in, I think we could go up to \$4 million in the ACE program to, to meet the need and give everybody the opportunity to give 15 credit hours and at the NOG program, 22,000 students got nothing. So even if we gave them the average of award of \$1,400 a piece, that's close to \$30 million more. So that's way under. The, the Gap program is the one that I think that, that had more of a COVID effect. And I think that's

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improving because colleges have found ways to bring students onto campus, even to do the lab courses and the medical courses. So, so many of these, you know, if you're starting the course, these don't start on a semester basis [INAUDIBLE] credit. So they might start at a different time. And if they started in March, they weren't gonna start. You couldn't put somebody in a truck for a CDL course, for instance, or you couldn't have them doing some of, some of the health things. So I think that the demand-- I do believe demand for this is gonna pick up as, as we get this, get this [INAUDIBLE] addressed in whatever way we're addressing.

**STINNER:** Additional questions? You don't get involved with the H3 scholarships?

**MIKE BAUMGARTNER:** We do not, no.

**STINNER:** That's through the Department of Economic Development?

**MIKE BAUMGARTNER:** For the community colleges, that's through the Department of Economic Development. For the, for the university and, and state colleges, it's appropriated directly to them. So, yes, the, the [INAUDIBLE] does not come through us.

**STINNER:** If the students would qualify for H3, would they-- and they're low income, would they also qualify for some of these other Pell Grants?

**MIKE BAUMGARTNER:** Yes, they, yes, they would. I mean, they would get their Pell Grant.

**STINNER:** OK.

**MIKE BAUMGARTNER:** And I appreciated what the presidents and chancellor said about the flexibility because would they get a NOG grant? Maybe, maybe not. If they got a \$10,000 H3 career scholarship and they got the Pell and they had the maximum Pell and they were to stay at college, that would cover pretty much everything. That'd be \$16,000. If they were a student, they got \$2,000 from Nebraska Career Scholarship and got the \$4,000 Pell, then the college might use the Nebraska Opportunity Grant to fill in a gap for that person to try to, to try to maximize the aid available. So, yes, they, they can still get that award.

**STINNER:** OK. Any additional questions? Seeing none, thank you.

**MIKE BAUMGARTNER:** Thank you.

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**STINNER:** I believe that concludes our testimony from invited testifiers. I will waive my concluding comments other than to say that the idea was to put together a, a career scholarship program that keeps us from the brain drain side of things. And so I think we'll have to measure that as we go forward just on utilization, if we're able to attract and retain these best and brightest kids. So with that, that concludes our hearing for this morning.

**STINNER:** It's 1:30 and I hate starting late. So welcome to the Appropriations hearing. My name is John Stinner. I'm from Gering and I represent the-- the 48th Legislative District. I also serve as Chair of this committee. I'd like to start off by having members do self-introductions, starting with Senator Clements.

**CLEMENTS:** Thank you. I'm Rob Clements from Elmwood, represent District 2, which is Cass County and parts of Sarpy and Otoe.

**MCDONNELL:** Mike McDonnell, Legislative District 5, south Omaha.

**HILKEMANN:** Robert Hilkemann, District 4, west Omaha.

**STINNER:** John Stinner, District 48, all of Scotts Bluff County. And Senator Vargas is coming in, so I'll just hold off for a second and you can do a self-introduction.

**VARGAS:** You're just riffing, just-- just the-- Tony Vargas. I represent District 7 in downtown and south Omaha. Hello, Senator Lowe.

**STINNER:** We do have a few senators that are missing. A couple may-- may be calling in. We also have Brittany Bohlmeier, our committee clerk, and we have also two pages, and I didn't write their names down so I don't know who they are. But at each entrance, you'll find the green testifier sheets. If you are planning to testifying today, please fill out and sign sheets and hand it to the committee clerk when you come up to testify. To better facilitate today's proceedings, I ask that you abide by the following procedures. Please silence or turn off your cell phones. Move to the reserve chairs when you are ready to testify. Order of testimony will be the introducer, proponents, opponents, neutral, closing. Spell your first and last name for the record before you testify. Be concise. It's my request that you limit your testimony to around five minutes. We will not use the light system, so if you go over, I won't know. How's that? Written materials may be distributed to committee members as exhibits only while testimony is being offered. Hand them to the page for distribution to the committee and staff. When you come up to testify,

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you'll need 12 copies. If you have written testimony but do not have 12 copies, please raise your hand now so the page can make copies for you. With that, we'll begin our testimony today. Senator Lowe, LR392.

**LOWE:** Thank you, Chairman Stinner and members of the Appropriations Committee. My name is John Lowe, that's J-o-h-n L-o-w-e, and I represent the 37th District, which is Kearney, Gibbon, and Shelton and the surrounding farm ground. Today I am here to open on LR392, an interim study designed to look at ex-- at further expanding the relationship between the University of Nebraska-Kearney and the University of Nebraska Medical Center. This LR is my second interim study concerning this subject. Last year, LR139 was heard by the Health and Human Services Committee. This LR aims to continue that conversation. I could go into a lot of details about the needs of central and western Nebraska when it comes to medical professionals, or I could talk about the importance of the current relationship between UNK and UNMC. But instead of doing that, I'm going to simply turn this over to any questions you may have and then let the experts behind me from Kearney and the University of Nebraska Medical Center explain-- explain why their expanding their relationship is good for our university system, our state, and the people who live in central and western Nebraska. And that concludes my opening statement.

**STINNER:** OK. Questions? So you went to HHS last year, huh? Now you're in Appropriations.

**LOWE:** They actually came out to Kearney, yes.

**STINNER:** OK.

**LOWE:** We started there.

**STINNER:** Very good. Any additional questions? Seeing--

**CLEMENTS:** Well--

**STINNER:** Senator Clements.

**CLEMENTS:** Yes. Are we going to have a UNK chancellor or some UNMC people testifying?

**LOWE:** Yes. The chancellor of UNK is not here, but Vice Chancellor Charlie Bicak is here.

**CLEMENTS:** All right. I think I'll just hold questions for them. Thank you.

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**STINNER:** Sure. Thank you, Senator. We have to clean-- clean up after every-- everybody is here. We were actually going to bathe him in that stuff before he started. Afternoon.

**CHARLES BICAK:** Good afternoon. Chairman Stinner, members of the committee, my name is Charles Bicak, C-h-a-r-l-e-s B-i-c-a-k, and I am the senior vice chancellor for academic and student affairs at the University of Nebraska at Kearney. Thank you to the committee and thank you, Senator Lowe, for the opportunity to-- to be with you today. The University of Nebraska-Kearney has been fortunate to effectively collaborate with the University of Nebraska Medical Center for many years. Most recently, this collaboration led to the conception, construction, and opening in 2015 of the Health Science Education Complex, the HSEC, on the University of Nebraska-Kearney campus. This is a UNK building that is designed for the delivery of UNMC curriculums in nursing and the allied health professions. You will hear more about these programs from Dean Kyle Meyer and Allied Health, and Ms. Nikki Carritt, who oversees the UNMC Rural Health 2030 plan. This collaboration has been an ideal fit for UNK. The UNK mission states that we are a public residential university, committed to be one of the nation's premier undergraduate institutions, with excellent graduate education, scholarship, and public service. Further, the UNK vision states that we will achieve national distinction for a high-quality, multi-dimensional learning environment, engagement with community and public interest, and preparation of students to lead responsible and productive lives in a democratic, multicultural society. As a regional public university then, we at UNK seek to achieve these ends with a three-college academic structure, with colleges of business and technology, education, and arts and sciences. The College of Arts and Sciences houses the program in health sciences. This program has been central to the mission of UNK. Our UNMC partnership and the construction of the Health Science Education Complex were a consequence of this centrality. We have an obligation to meet the needs in our region, central and western Nebraska, and indeed points beyond. An important outcome of our UNMC partnership has been the increase in UNK students who declare a focus on health-related careers. The number has increased by 34 percent since 2010, with two-thirds of that increase since the announcement of the HSEC project in 2014. Director Peggy Abels from UNK will say more about health sciences and the success to date. Expansion of the presence of UNMC on the UNK campus and in central Nebraska ought to be a priority that addresses healthcare workforce needs across rural Nebraska. There is no more appropriate high-skill, high-demand, and-high wage career area for rural Nebraska

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than the health professions represented by the six colleges in UNMC. Nikki Carritt, director of the rural health initiatives, will speak to these needs. There is strength in the UNK-UNMC partnering for the citizenry of Nebraska, as well as for both campuses. UNK undergraduate students will have expanded opportunities for placement in professional healthcare programs and enriched opportunities for undergraduate student engagement with UNM-- UNMC professional programs. In turn, UNMC programs will have expanded access to the most important resource that UNK can provide, and that's the well-prepared undergraduate student. The existent HSEC and its prospective expansion will have direct benefits for both UNMC and rural communities across Nebraska. We know that these student-- that those students educated in professional programs in rural Nebraska tend to stay in rural Nebraska. Expansion of the UNMC-UNK partnership has the potential to be a Midwest and, indeed, a national model for interprofessional healthcare education. To ensure the continued progress toward this goal, we at UNK have recently established a visioning group, a blue ribbon committee. The committee includes representation from the Kearney community and the medical profession, in addition to UNK faculty and administration. The committee is charged with three tasks: (1) identifying strategies for working with colleagues in UNMC colleges not yet represented at UNK; (2) outlining plans in terms of resource needs; and (3) preparing a white paper summarizing need, demand, and potential for the expansion plan. We will take our cue from the UNMC Rural Health 2030 document of October 23, 2017. Now, while we have grand potential, we have no funding dedicated to the next steps associated with the partnership. The only new money, in a sense, that we have is our exist-- existent funding; that is, we have significantly and strategically repurposed funds over the past four years and have no "extra" at this time for an important initiative like this. That said, we were also strategic eight years ago in the planning for the HSEC. The building is on a six-acre site on the west side of the campus that allows for physical expansion. It also is directly north of the University Village site that already has two significant campus additions: Village Flats, a nontraditional housing facility, and the LaVonne Plambeck Early Childhood Education Center. More than 27 percent of the occupants of Village Flats are indeed professional students from across the street in the HSEC. A third building, the Regional Engagement Center, is under construction. In closing, I would like to make three points. First, we are fully committed to meeting our collective obligation to our students in preparation for careers in the healthcare professions and to the health of the citizens of Nebraska. Second, UNK and UNMC have had a long and successful partnership. This dates to 1991 with the College

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of Nursing, and then in 2015, graduate nursing was expanded, along with the addition of several professional programs in the College of Allied Health Professions. Third, any approach to advancing the professional healthcare education agenda on the UNK campus will need to be in a strategic and a phased fashion, dependent on identification of funding and resources. To accomplish this, a comprehensive feasibility study must be continued. Thank you for your time.

**STINNER:** Questions? I have several questions, and this really speaks to some of the conversations I've had in western Nebraska for quite some time, and that's workforce. We've got a lot of older folks, like myself, retiring. Trying to attract and retain the younger people are-- has been a problem and will continue to be a problem. But I also sit on a planning committee. And it seems to me that, with all the hospitals we have, I guess one-- we're one of the highest states in the Union with hospitals. I think we're second behind-- per capita. How do we staff them? How do we continue? How do we evolve those hospitals more into a clinic, if that's the case? But we've got to have manpower requirements, and I'm interested in taking a look at what degrees you offer, what you're actually proposing on degrees, and how-- how far you're going to go with this. Are you going to need buildings? Are you going to need facilities? Are you going to need teachers? Are you going to put those numbers together so we can take a look at it? I think you're on to something. I think this is something that we would look at. And at least I know I would be very favorable to looking at a plan that basically, I guess, partners with-- with the Omaha and the Med Center, but still has that rural flavor to it. And that's kind of what I'm looking for, so-- now if I could get a copy of your speech, that would be great.

**CHARLES BICAK:** Yes, I have-- I have copies for the group, um-hum, for the committee.

**STINNER:** OK. I would be very amicable to taking a look at-- the visionary group, did they come out with a white paper yet or it's--

**CHARLES BICAK:** That's to come. We've-- we've just formed the group.

**STINNER:** OK. So I will be interested in taking a look at that, so--

**CHARLES BICAK:** Yes, um-hum.

**STINNER:** There is a sense of urgency. I got two years, so--

**CHARLES BICAK:** Ah, yes.

**STINNER:** Senator Hilkemann.

**HILKEMANN:** Yes, I have several questions. What degrees at the present time can you get at UNK in health-related-- what-- what terminal type of degree can I get at UNK?

**CHARLES BICAK:** An-- an excellent question, Senator, and I de-- defer to my colleague, Dean Kyle Meyer, for UNMC, describe those in a little more detail, but currently programs in physical therapy, physician assistant, medical laboratory science, and the various specialties in radiology lead in terms of allied health professions, as well as undergraduate and graduate nursing in the College of Nursing. So we have today two of the six professional colleges represented in the Health Science Education Complex at UNK, and we're keenly interested in expansions there. Dean Meyer will probably speak to some of that which will occur. But we're also interested in engaging the other four colleges: medicine, dentistry, pharmacy, and public health.

**HILKEMANN:** Right. Right. I have to say that one of the things that-- that-- when I was running for this position seven years-- it's been seven years ago we were running for [INAUDIBLE] And one of the goals that I had, if I were to be here, would be I would love to see us establish a medical school at UNK and have it associated with UNMC, that we could actually-- I think it would be very-- it could be a very unique medical-type education where-- and that was one of the reasons I carried the iEXCEL legislation the first year that I was here. I thought that that would fall directly into there. I would love to see in your planning committee that, you know, in the long term, if we could not find a-- a-- a UNMC west, basically, and locating it in Kearney. And-- and I understand right now there's maybe a hospital available in the city that's not being utilized to that level. This might be a wonderful oppor-- I-- I just would encourage that-- I think that-- that there should be a long-term goal. It's certainly not going to happen within the eight years that I'm here, but I would love to see a long-term goal that we would have-- we would have students coming out of UNK, particularly with an emphasis on rural medicine. And I think that it would be very unique in that sense. And-- and I realize that you-- when you get the M.D. degree, you could then go on to a lot of different residencies and things of that sort. But I think if we start a focus of having a medical specialty in that area, again, I'm not talking about 150 medical students at UN-- UN-- at Kearney. But I think that we could start with, you know, 15 or 20 students or whatever. I-- I have shared this with the chancellor, you know, that I know it's a whole different ballgame when you start looking at setting up all the credentialing through the-- to the medical associations.

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Allopathic medicine has not been expanding their programs very much and this would-- I think would be a wonderful opportunity to expand that. And so I would-- in-- in your planning, whether it happens in-- in the next two years or not-- which is not going to happen, but I would love to see legislation put forth and opportunities so that someday, that we have a medical school at Kearney, a UNMC west.

**CHARLES BICAK:** I very much agree with your assessment, Senator.

**HILKEMANN:** I think it's-- I think it's-- I think it's-- it's well located. I think that it would serve a huge need for that western Nebraska area. And I think if we want to attract medical students to stay in rural areas, we educate them in places, just as you mentioned, at Kearney.

**CHARLES BICAK:** Thank you.

**STINNER:** I would-- I would say the better place would be Scottsbluff for it, but that's [LAUGHTER] maybe a little bit over the top of. But I would also ask your to include mental and behavioral health in that component. I-- we're-- we're exhausted out west. We just don't have the professional psychologists there. Psychiatrists are almost impossible to get in the western part of the state. I mean, you can do your survey. And they're-- we're devoid of that piece of it. We have a trauma II hospital out west, smallest-- Scottsbluff is the smallest in the country, from what I understand, so they have to staff 24/7 as a trauma II without the volume there. So they've had-- got funding problems. But we also, with that funding problem, have manpower problems as well.

**CHARLES BICAK:** Yes.

**STINNER:** We have lots of gaps. We'd like to see a partnership with UNMC maybe with that hospital, but that's for another discussion. Anyhow, additional questions? Seeing none, thank you very much.

**CHARLES BICAK:** Yes, if I could briefly add, regarding behavioral and mental health, which has arisen in the last two years particularly as so-- so urgent. We have an affiliation or a connection partnership, UNK with UNMC, with the BHECN pro-- program--

**STINNER:** Right.

**CHARLES BICAK:** --and behavioral education for central Nebraska, created by statute, by the Legislature, in 2009.

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**STINNER:** They actually helped us with an internship program--

**CHARLES BICAK:** Yes, um-hum.

**STINNER:** --which was helpful, brought actually two people to western Nebraska, which doesn't sound like much, but it's big. I think the funding was not there this year. So, again, I need to follow up and see where we're at on that.

**CHARLES BICAK:** We do, as well, indeed.

**STINNER:** Yes.

**CHARLES BICAK:** Thank you.

**STINNER:** Thank you. Afternoon.

**PEGGY ABELS:** Good afternoon. Chairman Stinner and members of the Appropriations Committee, I'd like to take this opportunity to thank the committee and thank Senator Lowe for the opportunity to testify in support of LR329. My name is Peggy Abels, it's P-e-g-g-y A-b-e-l-s, and I am the director of health sciences at the University of Nebraska-Kearney. The health sciences program at UNK has a long history of success in preparing students for professional training in health sciences and contributing to the healthcare development-- workforce development in Nebraska. Over the last ten years, as mentioned by Dr. Bicak, health sciences at UNK has experienced significant growth in terms of the numbers of students interested in our programs. The number of UNK students has increased by 34 percent. There are currently over 750 health science students at UNK, making it the largest program on our campus. While the increase in the student interest is significant, acceptance of these students to professional school is the key to successfully impacting the workforce in the region. The acceptance rate of UNK students to health science professional schools has averaged 70 percent or above for the last 15 years. In fact, in 2019, 86 percent of the UNK students that applied were accepted. These rates are well above national averages for acceptance. This data is significant because it demonstrates the ability of UNK to successfully prepare undergraduate students for entry into educational programs in healthcare. It is also important because the majority of UNK students are from rural Nebraska and are interested in practicing in a rural setting. Collaborations with the University of Nebraska Medical Center are vital to ensuring that these students do in fact remain in rural Nebraska. Research shows that students are likely to practice in areas in which they receive their

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training. The cooperative efforts between UNK and UNMC that resulted in the opening of the health science education complex on the UNK campus in 2015 has provided an educational pipeline for rural healthcare practice for our students. Place matters to students and meeting students where they are by providing the training locally is a step in the right direction towards addressing the rural workforce shortages in Nebraska. In addition to benefiting our traditional students, these opportunities are critical to students that need to stay home-- close to home for training, including nontraditional students, those seeking to change careers, and minority populations. Another example of an important cooperative program with UNMC is the Kearney Health Opportunities Program, also known as KHOP. KHOP is a rural pipeline program that addresses the rural healthcare needs by recruiting, educating, and graduating students from rural Nebraska who have demonstrated a commitment to practicing in rural Nebraska upon completion of their training. Students in the KHOP program benefit from professional development programs and experiences in rural healthcare that will better prepare them for the rigors of training at UNMC and the challenges of rural health practice. This program started with 10 students in 2010 and now has 108 students across nine different healthcare professions. Data from UNMC shows that approximately 70 percent of the students in this-- rural pipeline programs have ordered their commitment to practicing in rural Nebraska. In closing, further expansion of opportunities for UNK health science undergraduates would strengthen the rural pipeline and have a positive impact on workforce development. Collaborative efforts with UNMC to provide additional healthcare training on the UNK campus would bring exciting opportunities for the significant numbers of students at UNK interested in pursuing healthcare careers. Such expansion would allow the university to build on our past successes while further addressing the future workforce needs of our state. Thank you.

**STINNER:** Questions? Senator Wishart.

**WISHART:** Well, thank you for being here. In terms of your pipeline for the KHOP program, do we offer any loan forgiveness to students who commit to a certain amount of years serving in a rural community?

**PEGGY ABELS:** I am familiar with those programs that you're talking about. This is a-- structured a little bit differently. The idea is that we will select students that want to make a career in rural Nebraska, and so there's not a specific number of years tied to that. So the current funding from the program comes from UNK in the form of

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tuition remissions, so students in the program receive a full tuition waiver at UNK--

**WISHART:** OK.

**PEGGY ABELS:** --and then they have guaranteed acceptance to UNMC into their program.

**WISHART:** OK, great. Thank you.

**STINNER:** Where-- where are your students from? Do you have an idea demographically where they're from?

**PEGGY ABELS:** Yes. So within a 100-mile radius of Kearney is our-- probably our largest student base, but we have a significant number of students from western Nebraska, places like Bridgeport, Gering, Sidney, Ogallala, North Platte, McCook, so I-- mostly central and western Nebraska. About 40 percent of our students are first-generation students. Many of them are from small communities in rural areas.

**STINNER:** How about capacity issues? Are you full? Is the reason you're turning students away is because you don't have the capacity or do you have capacity to take on some more?

**PEGGY ABELS:** So UNK has the capacity to work with the undergraduate students and we're actively recruiting as many students as we can find that are interested in health professions. The rate-limiting step really on health professions education comes at UNMC's level and-- and Dr. Meyer and Nikki Carritt will-- will be addressing you here shortly. But really it-- that has to do with the clinical trainings in the hospitals and clinics. That's really the limiting factor.

**STINNER:** Yeah, because our nursing school out west is limited to, I think, 20 nurses and we need to really shove through 50, but-- because of the clinical side? Is that what it is?

**PEGGY ABELS:** Yes, that's correct. So it's that clinical training. Each profession has specific numbers of hours that they need to spend working, you know, in many cases, one on one with another practitioner. So that is an entirely clinically related need.

**STINNER:** OK.

**PEGGY ABELS:** That-- but that is one thing that the healthcare education complex at UNMC has allowed us to expand, so we've been able

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to bring some of the students that would have previously been in Omaha and UNMC was able to expand some of those spots to-- in those different professions at UNK, utilizing more fully the healthcare providers of central Nebraska to help train those students. So they were able to expand positions by opening more spots in Kearney.

**STINNER:** OK. Thank you, Senator Hilkemann.

**HILKEMANN:** Yeah, can you-- on the-- in your statement here you said in 2019, 86 percent worked-- is this accepted in-- in like nursing programs, physical therapy? OK.

**PEGGY ABELS:** Yes, that's exactly right. So we-- in 2019, we had 140 that applied to programs; 120 were accepted to the health professions: nursing, premed, dentistry, dental hygiene, the full-- the full array.

**HILKEMANN:** How many of your students were accepted for the M.D. program?

**PEGGY ABELS:** In that particular year, it was 65 percent.

**HILKEMANN:** OK. And the number would be-- do you know the number? You said 65 percent. What number is that?

**PEGGY ABELS:** I believe we had-- it was 10 or-- we had 15 total applicants.

**HILKEMANN:** OK.

**PEGGY ABELS:** And 65 of them were accepted to M.D.

**HILKEMANN:** Uh-huh. OK, so 10 out of the 15 maybe?

**PEGGY ABELS:** Yeah, um-hum,

**HILKEMANN:** OK.

**PEGGY ABELS:** And that--

**HILKEMANN:** And were they--

**PEGGY ABELS:** --that's roughly our ten-year average for medical school.

**HILKEMANN:** Ok. And are they being accepted at Nebraska or are they being accepted at medical schools outside of the state?

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**PEGGY ABELS:** Both, and we've looked at that data in the past. Approximately 75 percent of the UNK students that are applying to different healthcare programs are accepted at UNMC. And then we do have others that go to other facilities elsewhere.

**HILKEMANN:** Um-hum. OK, fine. Thanks.

**STINNER:** Additional questions? Senator Wishart.

**WISHART:** So how many years does it take somebody to go through your program and come out with a degree that would allow them to go right into, say, working in a nursing home or as a nurse?

**PEGGY ABELS:** So for nursing the total is four years. It leads to a bachelor of science in nursing. There are additional master-- master's- and doctorate-level educational opportunities after that that a nurse can pursue--

**WISHART:** OK.

**PEGGY ABELS:** --but a minimum four years.

**WISHART:** So typically, students that are enrolling in this program will be-- it'll be four years for graduating and then going into a field.

**PEGGY ABELS:** That's correct.

**WISHART:** Are we doing any efforts on recruiting people who may have gone down a different trajectory in life in their 20s and maybe even 30s, and have now been kind of hit with some of the economic sort of devastation--

**PEGGY ABELS:** Sure.

**WISHART:** --that people are feeling and would go into maybe a career in the healthcare field?

**PEGGY ABELS:** We do have a lot of career-change students, and being able to receive their education locally is really important to those students. Since the opening of the Health Science Education Complex, I've seen an increase in the number of students interested in coming back to school, making that change. It's-- previously, the change was not really realistic for them in terms of needing to move to Omaha to get their education.

**WISHART:** OK.

**PEGGY ABELS:** So we're seeing an increase in that, especially in current healthcare providers at lower levels that want to advance their degree.

**WISHART:** OK.

**STINNER:** Additional questions? Seeing none, thank you. Afternoon.

**KYLE MEYER:** Good afternoon. Chairman Stinner, members of the Appropriations Committee, my name is Kyle Meyer, K-y-l-e M-e-y-e-r. I'm the dean of the College of Allied Health Professions at UNMC. I'm here today to provide you with some additional information about LR392, introduced by Senator Lowe, and I thank him and the committee for the opportunity to speak today. As my colleagues have already stated, workforce development and all of the health profession programs offered at UNMC remains vital for the health and economic vitality of the citizens of central and western Nebraska. The partnership that Dr. Bicak alluded to that ultimately resulted in the development of the HSEC on the UNK campus, a partnership involving two health profession colleges at UNMC and two campuses within the University of Nebraska system, was recognized at its inception as exemplary within the University of Nebraska. Some eight years after this partnership began and five years after the HSEC opened its doors, the partnership has been nothing short-- short of a resounding success. Faculty and staff hires and enrollment at the HSEC now actually exceed projections because of the new occupational therapy doctorate program in the College of Allied Health Professions. By 2023, there will be a total of 48 additional OTD students at the HSEC, with 16 grad-- graduating annually. The occupational therapy doctorate program will add the seventh allied health professions program to the four degree programs offered by the College of Nursing, including the accelerated BSN degree, seven post-master's specialty certificate programs in nursing, and two doctoral programs in the College of Nursing at the DNP and PHD level. I refer you to this handout. We provided this infographic to provide you with a little bit more detail about the successes at the HSEC. And, Senator Hilkemann, the list of the-- of the degrees offered is in that-- on that first page, this one that says the picture that-- about in the middle there's an orange bar that lists the programs that are offered at HSEC. You were asking about that earlier.

**HILKEMANN:** OK. Thank you.

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**KYLE MEYER:** You're welcome. Despite these many successes, health profession workforce shortages remain, as my colleagues have already stated, and often have a disproportionate impact on rural communities. Examining opportunities to advance health profession education at UNK, in partnership with UNMC, is an important consideration at this time, given that healthcare and social assistance sector is projected to add the most new jobs in the ensuing decade. Just for some context, the U.S. Department of Labor, the Bureau of Labor Statistics projects that total national employment over the decade from 2019 to 2029 will grow at about 3.7 percent; for nursing and allied health professions educated at UNMC, that range is between 7 and 52 percent nationwide, with double-digit increases projected for many of those professions, including two of the fastest-growing, one in the College of Allied Health Professions physician assistant program and one in the College of Nursing nurse practitioners. Projected increased demand is similar for those professions in Nebraska, ranging from approximately 7 to 31 percent. There are some more statistics in the-- my testimony for your reading, but I'll let you look at those if you'd like. The quality of the partnership between UNK and UNMC and the workforce demands already noted, current and potentially expanded high-quality pre-health profession programs offered at UNK provide ample reason to believe that existing allied health and nursing programs at the HSEC are sustainable and could also be expanded based on demand. The proposed feasibility study would more fully address the opportunities and challenges associated with expansion and a permanent presence of UNMC on the UNK campus. A comprehensive strategic review would allow UNMC, UNK, and the state of Nebraska to consider several complex issues currently confronting health professions education. In no particular order, these issues include: identifying effective strategies to increase the diversity of the healthcare workforce; addressing the rising cost of higher education; managing the projected decline in the number of high school graduates regionally and nationally; identifying strategies to grow the network of qualified preceptors and strategies-- and resources for faculty recruitment and retention; identifying additional space, as has already been suggested; and developing strategies to keep pace with rapid changes in technology, to name a few. In closing, on behalf of the students, the faculty and the alumni of the UNMC Colleges of Allied Health and Nursing and the patients they serve in Nebraska, I want to thank Senator Lowe and the Appropriations Committee for your concern about these important issues and thank you for your support for the contributions we have made and will continue to make in partnership with UNMC-- UNK to the health of Nebraskans. Thank you.

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**STINNER:** Any questions? Senator Hilkemann.

**HILKEMANN:** Are you in Kearney or are you in Omaha?

**KYLE MEYER:** I am physically-- my office is in Omaha. But the-- of the-- we have 14 health profession programs under the umbrella of the College of Allied Health Professions. Six of them, soon to be seven, are offered at the HSEC. So I-- my office physically is housed on the Omaha campus. I visit Kearney monthly-- pre-COVID I visited monthly. But we have a-- an assistant dean for allied health and an assistant dean for the College of Nursing who serve as the administrative heads at-- will physically located in-- at the HSEC.

**HILKEMANN:** You also oversee their program in Norfolk then? I think they also have a program in Scottsbluff, do they not, for--

**KYLE MEYER:** That's nur-- College of Nursing, so Dr. Sebastian, who's the dean of the College of Nursing, oversees those programs as well. She is physically located in Omaha, as well, on the Omaha campus. But she-- yes, they-- nursing has divisions in Kearney, Norfolk, Scottsbluff, Lincoln, as well as Omaha.

**HILKEMANN:** OK. Would you agree-- and the-- and the testimony we had just previous here given by Professor Abels regarding the-- the students that did not get accepted in the-- what-- in your experience, are most of those students, if they had the opportunity, they'd thrive in medical school as well?

**KYLE MEYER:** I think the students that we have, and I-- I don't-- I'm not the dean of medicine, but the students that we have from the-- from UNK who do their prerequisites and they come to our college, are extraordinarily well prepared. Their basic sciences, which is kind of the key to the substantive prerequisite work, are very high quality and they excel. I have no doubt that they-- they have-- to-- to Ms. Abels' comments about their acceptance rates, which is very high, frankly, but they do really well. And they are, as she said, too, committed to returning to central and western Nebraska to practice.

**HILKEMANN:** Yeah. That's-- that goes into what I'd said earlier. I think we have a lot of people that-- that have, you know, have the chutzpah to do their-- the MD or the D.O. program or BPM program or whatever if we just give them the opportunity. And I would like to see us-- with-- with the critical health shor-- shortage, which is going to continue to get much worse over the course of time, we need to address this shortage. And that's why I think it's important that we

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look at-- and I-- and I understand that you can only have so many students and the clinical factors are there. But I think this is an opportunity that we need to look at, at UNK, to-- that this is an opportunity to expand so that we can get more and not the-- all the-- all of the healthcare professions are important. I think that-- that primary healthcare professionals are very important--

**KYLE MEYER:** Very good.

**HILKEMANN:** --that we continue, and that's where we're going to continue to see the shortage of care.

**KYLE MEYER:** And to Ms. Abels' comments, the-- the shortages of let-- of students into the health profession programs, she mentioned one, clinical sites, and-- and it's true that a lot of our students in different professions utilize the same clinical preceptors. So, for instance, medical students, primarily in primary care, physician assistant students, nurse practitioner students, often have preceptors who are primary care physicians. So the comprehensive nature of-- of this kind of a review that would include the public-private partnership to really understand who are those preceptors, how many students can they take, what kind of models for precepting may we-- might we be able to develop to be more effective in utilizing those individuals, that will be critical to the expansion. The other piece is faculty, frank-- quite frankly.

**HILKEMANN:** Right.

**KYLE MEYER:** We don't have enough qualified faculty, and so we're working on strategies to develop more faculty. Those are the two rate-limiting steps for expanding health profession education.

**HILKEMANN:** Yeah, because I-- going back to-- to her comment, if you have 15 students and you got-- I can tell you that they've picked first 10, number 11 would do fine if they just were given the opportunity in my-- at least my experience with the-- the people who do not-- obviously, there are some people who are not--

**KYLE MEYER:** Sure.

**HILKEMANN:** --that-- that should not be admitted. But most of the time, the people that I hear did not get in are very well qualified students would be-- would do very well given the opportunity.

**STINNER:** Additional questions?

**CLEMENTS:** Yes.

**STINNER:** Senator Clements.

**CLEMENTS:** Thank you, Mr. Chairman. Thank you, Mr. Meyer. I have not-- would you clarify it-- at UNK, is it only a four-year degree or are there some graduate-level programs at UNK?

**KYLE MEYER:** So in this orange box, the four-year program is really the bachelor of science in nursing, the traditional and the accelerated degree, so you-- you can do two years of prerequisites and then finish in the College of Nursing. So it's a two- plus-two kind of a model, or you-- you can come back as a-- having a degree and do the one-year accelerated program. The majority of the rest of these-- I should say, let me be clear, medical laboratory science and radiography in the allied health professions are bachelor degrees. So those students-- frequently, Senator, in the majority of our health professions, all students are doing some number of prerequisite content at a accredited undergraduate university, UNK. So for radiography, it's a two plus two. If you get right in for medical laboratory science, you would do three years of undergraduate prerequisites and then a year in the ML-- laboratory science program. PT, OT, some of these other programs, physician assistant, are either master's degrees or clinical doctorates. So you would complete a bachelor's degree and then apply to those programs.

**CLEMENTS:** Very good.

**KYLE MEYER:** So they could be in the range, maybe just as a general, not-- I'm not just talking about medical school. I'm talking about between nursing and the allied health professions, four to seven years to enter practice depending on the profession.

**CLEMENTS:** All right. Thank you. And I was also going to ask about faculty shortages if you can supply enough faculty to teach the growing demand.

**KYLE MEYER:** That is the significant step-- rate-limiting step is qualified faculty. Many of our faculty come to us having certainly become experts in the-- their field of practice. So they come to us with clinical expertise. They may not at that point have the research expertise, but they will come-- they are developing that. So the pipeline for faculty is a-- is also something that we're working on and that is factor, rate-limiting step for expanding enrollment.

**CLEMENTS:** Thank you.

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**STINNER:** Do-- Senator Hilkemann mentioned the iEXCEL, and I was also involved with that legislation.

**KYLE MEYER:** Indeed.

**STINNER:** First iEXCEL Center, actually, satellite was in Scottsbluff. It's utilized extensively in training nurses, etcetera. Do you have an iEXCEL center in Kearney and--

**KYLE MEYER:** It-- sorry, I didn't mean--

**STINNER:** That's-- no, I'm just-- do you have one and is it being used?

**KYLE MEYER:** I'll give you-- the answer to that question is yes, kind of two parts. So there is-- do you remember the iWall--

**STINNER:** Yes.

**KYLE MEYER:** --the large kind of 9- to 12-panel big iPad, kind of, that's a real-time communication. One of those is on the Kearney campus.

**STINNER:** OK.

**KYLE MEYER:** And so they are using that for communication and work collaboratively as students, but also between the campuses. Scottsbluff has one, as well, as you know, as-- as does dentistry and in Omaha. So the-- so we haven't got to the point of doing some of the other things that-- that are in the works in terms of, you know, the holographic display and some of those exchanges, but the iWall is operational. The other thing that we use is, and this is related to iEXCEL but not part and parcel of it, is the distance education. So we have the really very high-- high-quality technology at both the Omaha and Kearney campuses for simulation training and also for sync-- synchronous delivery of education. So sometimes the education comes from-- is led out of Omaha, sometimes led out of Kearney, and then those two groups of students on those respective campuses are learning synchronously. It's a-- it's a much more efficient way in terms of a faculty presence--

**STINNER:** Right.

**KYLE MEYER:** --rate because there's a faculty member on one campus leading the-- the discussion and the delivery of content and then another helping make sure that things are getting done at the-- at the other campus. But we try to very much make it clear that these are one

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program offered on two campuses and that these campuses have equal relevance. So we don't call it a sat-- we don't call Kearney, for instance, the satellite campus. We call these UNMC campuses in allied health. It is the College of Allied Health Professions offered on two campuses. We think that's an important piece to really make sure that we value the-- the roles of the colleges. Same is true of nursing at the various locations across Nebraska.

**STINNER:** Right. Senator Hilkemann.

**HILKEMANN:** Yeah, it would seem to me like-- like-- just as you've talked about, that you-- you mentioned a couple times the-- the shortage of faculty and so forth. It would seem like programs like the iEXCEL would-- would-- would help answer that problem.

**KYLE MEYER:** Indeed.

**HILKEMANN:** I mean, a urologist who's-- who-- at-- at-- at UNMC can do a lecture at Kearney at the same time he's lecturing in Omaha.

**KYLE MEYER:** Exactly, that, and asynchronous delivery where you're developing, you know, learning modules that can be watched anytime, anywhere. There are all sorts of strategies like that--

**HILKEMANN:** Right.

**KYLE MEYER:** --to try to-- to ensure that all the students at every location get the highest quality education in the most efficient way. Absolutely.

**HILKEMANN:** Yeah.

**KYLE MEYER:** Yeah, and lots of opportunities, I think, to continue to expand that, thanks to all of the work that you've done relative to iEXCEL.

**HILKEMANN:** Well, I-- it's-- when I-- when I see the things that have developed, like iEXCEL and I-- I think, wow, I wish that was available when I was in medical school or--

**KYLE MEYER:** It's amazing.

**HILKEMANN:** But I went through school 45 years ago. I mean, it-- but, I mean, you-- you think about the differences and it's amazing to me, the educational opportunities that kids have today, and we're turning out better physicians, better educated, and-- and that's what we want.

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And anything that we can do to help promote that, I think that we need-- and-- and-- I-- we just need more physicians and-- and any people in the medical health profession. As I say, I think it's-- it's a field that we're going to-- it's really going to be drastically [INAUDIBLE] down the line.

**KYLE MEYER:** Well, and quickly, to your very good observation, we're doing it interprofessionally too. We're educating health profession students together so that they can learn about one another and also perform better team care, which is really going to be the--

**HILKEMANN:** Right.

**KYLE MEYER:** --success of the future I think.

**HILKEMANN:** Right. Yeah.

**STINNER:** Any additional questions? Seeing none, thank you.

**KYLE MEYER:** Thank you very much.

**NIKKI CARRITT:** Good afternoon.

**STINNER:** Good afternoon.

**NIKKI CARRITT:** Thanks, Chairman Stinner and members of the Appropriations Committee. My name is Nikki Carritt, N-i-k-k-i C-a-r-r-i-t-t, and I'm here today to provide comments on LR392 for the University of Nebraska Medical Center, where I serve as the director of rural health initiatives. Thanks to Senator Lowe for bringing this interim study forward, providing an opportunity to address the health workforce needs of the state. Healthcare professions are high-demand, high-skill, and high-wage occupations. These professions are critical to the overarching healthcare system as they facilitate access to quality healthcare and have significant impact on Nebraska's health, economy, and the sustainability-- sustainability and vibrancy of the state's rural communities. Health workforce shortages, a transforming healthcare delivery system, and changes in Nebraska's population distribution and demographics are serious factors when considering strategies to reduce rural health disparities, improve access to quality healthcare as close to home as possible, and improve rural quality of life. Recognizing the disruptive change affecting rural Nebraska, UNMC established the Rural Health 2030 Task Force in 2017 to develop a revised vision and plan for the continuing role of UNMC in working with rural communities, hospitals and others, to address the state's unique rural healthcare needs. The task force engaged more

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than 200 internal and external stakeholders from a variety of sectors to assess challenges, opportunities, and to better understand how to reshape, refresh, and transform UNMC's rural health education, research, and outreach programs to ensure rural Nebraskans thrive in the changing healthcare environment into the year 2030 and beyond. UNMC heard the opinions, advice, and suggestions and quickly set into motion the development and implementation of annual action plans to guarantee we collectively move the needle to improve rural health in Nebraska. One long-term strategy priority target identified by the initiative was to establish a Central Nebraska Rural Health Science Interprofessional Center at the University Nebraska at Kearney that awards advanced interprofessional degrees and provides continuing education and healthcare, closely in line with the focus of this particular interim study. UNMC embraces its role as Nebraska's only public academic health science center and is eager to continue its proud heritage of preparing the rural health workforce of tomorrow by providing state-of-the-art educational opportunities that emphasize competency-based education, interdisciplinary teamwork, and incorporate the appropriate blend of human interaction with the use of emerging technology, and prepare new types of healthcare professionals to meet the changing healthcare needs of the state. Several potential strategies have been identified as means to increase the presence of UNK in central and western Nebraska, taking into account the considerations that my colleagues-- colleagues have talked about previously. Some of those strategies include: to expand and enhance the long-standing rural health professional training pathway programs that we've talked about earlier, the Rural Health Opportunities Program and Kearney Health Opportunities Program that Peggy mentioned earlier; enhance the availability of scholarships and student loan repayment for health profession students at all levels interested in serving in rural and underserved areas of the state; expand and enhance programming to support continuing education and training, such as the Simulation in Motion-Nebraska, or SIM-Nebraska program, and degree advancement options which allow practicing healthcare professionals serving in rural Nebraska to gain continuing education or training to advance their degrees without having to leave the workforce. With a proven record of accomplishment for providing educational programs across five campuses, including at the Health Science Education Center at UNK, UNMC proudly contributes to the state's rural health workforce. Should the resources become available to accommodate the space, technology, faculty and staff, and other needs, there is potential to increase UNMC's presence in the region in ways such as: developing a satellite campus for the College of Medicine with a two-plus-two model, for instance, in central Nebraska;

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and/or partnering with UNK to deliver a bachelor of science in pharmaceutical sciences, for example. We have provided a more comprehensive analysis in the packet of materials that you've been provided today. The analysis has been updated, but was also provided to the Health and Human Services Committee last year as part of the related LR139 hearings. Expansion would hinge on a feasibility analysis that includes planning across all UNMC health professions training programs and works closely with public and private partners to account for the current and future capacity of the region to meet the needs of additional learners and the financial resources required to undertake such expansion over a period of time, for example, five to ten years. Expansion plans must be developed using a comprehensive approach accounting for the needs of multiple health profession training programs related to clinical placements, preceptor and student recruitment, both at UNMC and other educational institutions within the region, to ensure programs are developed that leave additional learners well-prepared to serve the unique needs of Nebraska's rural communities and provide long-term solutions for addressing the state's health workforce shortages. So in closing, thank you, Senator Lowe and the Appropriations Committee, for your attention to these issues and for supporting the partnership between UNMC and UNK as we strive to make Nebraska the healthiest state. And with that, thank you, and I'll be glad to answer any questions you might have.

**STINNER:** Thank you. Questions? I want to ask a question. Develop new medicine, residency, and fellowship programs through-- how far are you along with developing those at--

**NIKKI CARRITT:** So, again, those aren't in development, but those are some potential strategies that could be developed as we look at this expansion in central and western Nebraska in partnership with UNK. But as Peggy mentioned earlier, one of the most important factors in terms of getting individuals to practice in rural Nebraska is where they end their training. So if we can increase the number of residency programs, those who end their residency training in a rural area are more likely to practice within, say, up to 100 miles of that training location, so increasing the capacity of those programs.

**STINNER:** So Scottsbluff now has career academy that's really advanced, developing that pipeline with UNM-- UNMC, UNK, I think, is something that's essential. But I think also what we're talking about on the local side is to develop a scholarship program that says, OK, we're going to do X financially for you on the-- on the local level, as long

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as you come back, almost create a local RHOP program, depending on what specialties we need.

**NIKKI CARRITT:** It--

**STINNER:** It might be psychologists, it might be just medical doctors, those types of things. Have you seen anything advanced in those-- on that idea?

**NIKKI CARRITT:** There have been lots of conceptual ideas, just like you're talking about in Scottsbluff area. McCook, for instance, is looking at the same, really trying to take advantage of how they can recruit students, do their grow-their-own approach, recruit some of those high school students, get them interested in the health professions, understanding that the RHOP program is a partnership between the three state colleges and KHOP at Kearney, so-- and we also have UHOP, which is urban, but that we-- there is a pathway program there that they can then-- that local community can look at those pathway programs and students at the undergraduate level, know that they will get their training at UNMC, and have an opportunity to say their undergraduate tuition is covered in those programs, how can we use local dollars to support the tuition for their medical school training, their health professions training to get them back for, say, you know, whatever commitment period they'd like to put into place? But there are communities talking about that, Senator Stinner, just as-- as you are.

**STINNER:** Now where are you housed? Rural health initiatives, is this out of--

**NIKKI CARRITT:** So my--

**STINNER:** --UNK or is it out of--

**NIKKI CARRITT:** My office is in Omaha, on the UNMC campus in Omaha--

**STINNER:** OK.

**NIKKI CARRITT:** --but I work across the state.

**STINNER:** Would you be somebody that we would contact locally to say, hey, we want to develop a program and here's the types of disciplines we need to have, how do we do that?

**NIKKI CARRITT:** You could certainly reach out to me and then I would reach out to my colleagues in each of the colleges related to those

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health professional workforce shortage areas, and we would work with you to develop a comprehensive plan--

**STINNER:** OK.

**NIKKI CARRITT:** --get you in contact with those.

**STINNER:** I'm sorry. Senator Wishart.

**WISHART:** OK.

**STINNER:** Senator Wishart.

**WISHART:** Yeah, I was going to ask, kind of following up to what Senator Stinner asked-- or Chairman Stinner asked. How early do you work with communities in, say, their after-school programs or their career academies? You know, I know, for example, with women, in middle school is when you see girls who are really interested in science tend to go a different direction because of social pressures and, you know, different things like that. Do you ever reach down into sort of the elementary and middle school to start to create that pipeline where kids can see an opportunity in their community to go to school and come back and--

**NIKKI CARRITT:** In-- in terms of for-- formal programs through UNMC, there aren't any that, you know, strike-- go down to that level. We do have the High School Alliance program that works with high school age students, but we also, through the Area Health Education Center program, through UNMC, have contracted with different centers across the state, one being at UNK-- there's one out in western Nebraska and other places-- that can work with those high schools, too, whether it's on formal programming or introducing them to the health sciences. But certainly there's an understanding that we can help partner with those local communities to-- to do a better job of introducing students to the health professions and some of the opportunities and pathways that can get them there. But it is-- it is true and recognized that we have to reach those students in-- before eighth grade when now those-- there's different programs that really put them into a specific pathway, so making sure that they're exposed really is really important.

**STINNER:** Anything else? Oh. Senator Hilkemann.

**HILKEMANN:** You-- I'm sure you work with-- there is a committee that works for the rural health that-- just what you're talking about, for

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the elementary. I mean, I've been on that board now a couple of years where they have these-- are you working with that committee as well?

**NIKKI CARRITT:** Yes. So that is the Area Health Education Center, AHEC, program at UNMC.

**HILKEMANN:** Yeah.

**NIKKI CARRITT:** So, yes, we're working with them. They work closely with the KHOP program and others across the state as well. So that is--

**HILKEMANN:** Are we seeing-- now what-- what kind of response are we getting from that particular program, AHEC?

**NIKKI CARRITT:** You know, they're really doing a fab-- fabulous job. There are five AHEC centers across the state that collectively cover all 93 counties and are doing, for instance, you know, programs outside of school for inst-- students who are interested in health professions, bringing in guest speakers, getting them into the hospitals and really doing their best to expose these students to the plethora of opportunity in terms of health professions, that maybe it's not just a physician or just a PA or just a nurse, but there are a number of health professions, especially as our communities are changing, new professions are coming about all the time, that there are lots of pathways to get them into the workforce, whether it's CNA to start and then to serve their community and then look for opportunities to advance their degree and-- and serve in health-- different health professions their community needs moving forward.

**STINNER:** Senator Clements.

**CLEMENTS:** Thank you, Mr. Chairman. Thank you, Ms. Carritt. I was curious about how we compare to other states, especially states around us, that also have rural areas like we do. Have you got an idea how we're doing?

**NIKKI CARRITT:** We are actually-- UNMC, in our partnership with the state colleges and UNK, is actually looked on very favorably, and we get several calls from across the country frequently about our pathway programs, the RHOP and KHOP program, which have been around, RHOP, for about 30 years. But our outcomes are very high in terms of other programs that are developed across the country. We-- we've kind of mastered the program and are really doing a good job in preparing those students to go into rural healthcare, but also giving them multiple opportunities throughout that long pathway program. I mean,

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we're talking sometimes eight years or longer until they're out practicing in the community, so keeping them in touch with the community, with the individuals they're going to be working with so that they're more likely to go back and practice there. So our outcomes are very high as compared to other states, though I'll tell you that when we look at those pathway programs across states, there's a lot of discrepancy differences between programs. Some are just medicine. You know, some are for smaller programs. And what makes RHOP and KHOP unique is that we have nine different health profession training programs that are available to students that come into RHOP and KHOP. So the allied health, nursing, pharmacy, medicine, you know, all of those pieces, plus a public health program called PHEAST, so that's what makes our program a bit unique in-- in addition to the outcomes.

**CLEMENTS:** Thank you. Commend you for doing a good job.

**NIKKI CARRITT:** It-- it is-- it is a significant team effort all across the state. Thank you.

**STINNER:** Senator Wishart.

**WISHART:** So I-- we're going to have an interim study tomorrow on childcare in the state. And so I wanted to ask, you-- do you do exit surveys at all, or surveys of your graduating students, and when they are looking at going to a community, you know, we may give them all the opportunities in terms of loan forgiveness, but there just isn't childcare available for a dual working family. Do you look at any of that in terms of whether there are other challenges that we could help meet as a state that could-- could help as well?

**NIKKI CARRITT:** In terms of a formal survey across the colleges with graduates, nothing that asks some of those questions in particular, though we've done some focus groups and needs assessments over the last couple of years. And those are some of the pieces that we hear from the students. One, you know, student loan repayment and, you know, the-- the tuition costs are significant consideration when they're going to a rural community, especially, you know, depending on student loan repayment. But also speaking with them in terms of what the community has to offer, it's K-12 education, it's childcare, it's looking at, you know, all of those factors. It's looking for potential job opportunities for a spouse. So that's where-- a place where we have the opportunity to work with the communities across the state to say, you- you know, we-- this is a partnership and communities have an extremely important role to play in showing everything that the

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community has to offer as a means of recruiting these graduates into practice and not just get them to practice there, but to get them to stay there, you know, set some roots and-- and stay there for the long term. It is a factor.

**STINNER:** Questions? Seeing none, thank you.

**NIKKI CARRITT:** Thank you.

**STINNER:** Senator Lowe, closing comments? I don't see anybody in opposition or neutral.

**LOWE:** Well, thank you very much, Appropriations Committee, for allowing us to come before you today and-- and hear our plea. I appreciate all those who testified today for both UNK and UNMC. If you look at a map of Nebraska, you will see towns scattered out of varying sizes. Most of these towns were built on railroads, not by-- on the roads, but they were built on the railroads, and they were spaced about 12 to 15 miles apart because you could ride a wagon about 6 miles to work, work a full day, and ride it back home, so it split the difference. And that's the way our towns and cities-- cities developed across Nebraska. Now some of these towns flourished and some of them are even disappearing today. But that's why we have a wide spread of towns and-- and places like that across Nebraska. And that's why it's very important that we look at the state as a whole when we look at our-- our education and those we educate. As we've heard, the medical personnel are stretched very thin now because of COVID. Our doctors and nurses are working extra time. They're more fatigued because of what they have to wear full time now, and most of us are too. This conversation started about three years ago when I was at a reception and-- and Chancellor Dr. Gold and I had a conversation that a need in Kearney was there because of the new facility, the Health Sciences and Education Complex, that those students needed someplace where they can go to get their credit hours to further on so they could graduate. And so that's why I brought my interim session-- in-- interim research last year before the Health and Human Services Committee, and it was suggested at that time that we needed to further this and-- and bring LR392 before you. When a young man or woman decides to go to college and they travel from central or western Nebraska to Omaha or Lincoln to go have their education, they meet friends. They get used to the metropolitan setting. They even find people with whom they want to spend the rest of their lives with, and this is a big factor on where they return to. And so if we can find a way to get them closer to home, get them educated to the best of our ability in fine

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institutions such as UNK-- which, Dr. Bicak, UNK is one of the best institutions in the Midwest now, for its size, is that correct?

**CHARLES BICAK:** Number six, U.S. News and World Report.

**LOWE:** So it is a fine institution. We need to keep these young men and women close to home where they're going to find people that they may spend the rest of their life with that are from the same area. That just makes sense in these communities that are spread out across the state. These-- the degrees that you get at UNK and UN-- UNMC are fantastic degrees. I'm a business major. I'm not a medical major and I don't ever proclaim to be one. But even I can see the-- that the medical profession is a great profession for getting a job once you're done with college. It has a great pay scale. You will work until old age at the same profession if you'd like to because it is a-- it's just one you can because it's not taxing on your body the way some are. But it's-- it-- it-- it's very good. And if I was a father of my three young sons, I probably would have pushed them more into the medical field at that time instead of business, because it is a very good field. When I went to Kearney State College at the time, where UNK is now located, the buildings-- I went to school in the administration building and the heat worked well in September when the-- it was 90 degrees outside and not so well in the winter when it was 15 below. Now these institutions are top notch. They are-- are state-of-the-art. I know that the health sciences building has got a table in there at-- a table where you can dissect an animal, but it's all virtual and it-- it's just very up to date. It's-- it's-- it's an incredible place and I invite you out to UNK to visit the UNMC building out there. We have all learned in the last nine months what COVID has done to us, how it stretched us thin in the medical field, how it stretched us thin in all fields, really. If we put our eggs in one basket, one end of the state, and we have a mishap, we spill that basket. That facility gets COVID, it's basically shut down, where if we can spread it out across the state, we have a great state-- it's wide variety. If we can spread it out across the state and lessen our chances of closing down, it's a wise business decision. I think we need to do that. So that's why I brought my LR today.

**STINNER:** Very good. Questions? Seeing none, thank you very much.

**LOWE:** Thank you.

**CAVANAUGH:** Did I clear the room?

**STINNER:** Yes, you did.

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**CAVANAUGH:** [LAUGH] I have that effect.

**STINNER:** We'll just wait for two or three minutes and see if they can come back.

[BREAK]

**CAVANAUGH:** OK. Well, good afternoon, Chairman Stinner and member of the Appropriations Committee. My name is Machaela Cavanaugh, M-a-c-h-a-e-l-a C-a-v-a-n-a-u-g-h, and I represent District 6 in west-central Omaha. I brought LR394 to give this committee the opportunity to learn more about what the process was for engaging Nomi Health and partners in the \$27 million TestNebraska contract. I am and have always been supportive of massive testing in Nebraska, even in times of crisis. It is important for the government to maintain standards of governance and accountability. In May, I expressed my concerns to Governor Ricketts over the engagement of Nomi Health for our testing program. These concerns included the no-bid contract and lack of transparency, lack of collaboration with public health departments and UNMC, excluding NeHII from data collection, the cost of procuring the tests through a nonmedical provider, and privacy concerns around data collection. TestNebraska has proven to be a useful resource for thousands of Nebraskans, but it continues to-- to meet the need-- but it does-- continues to not meet the needs of our most vulnerable populations. Today, this committee will hear from individuals impacted by access challenges, as well as individuals from DAS and DHHS. It is my intention that we all walk away from today's hearing with a greater understanding of how the administration thought through creating testing access, as well as what our continued areas are needed to be addressed to ensure all Nebraskans are given the vital testing access needed. So I won't belabor any points here. I think that there's a lot of outstanding questions, and I know that this contract has the potential for being renewed in a year. And so I wanted us to have an opportunity, especially Appropriations, to talk through that and give you the opportunity to ask what questions you all need as the heads of our appropriating process. So with that, I'll take any questions.

**STINNER:** Questions? Senator Hilkemann, do you have a question on TestNebraska? Senator Clements, go ahead.

**CLEMENTS:** Thank you. Thank you, Senator Cavanaugh, for being here. You just mentioned a renewal of the TestNebraska contract. Do you know when that will happen?

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**CAVANAUGH:** Yes, and I apologize, I-- the page did hand out some documents, and one of them is the contract. So there's the-- the Domo contract, which I think is the technology contract. And then there's the Nomi contract. I believe that's what it-- yeah, the Nomi Health contract, and it's a one-year contract. So it would be in April of next year, assumedly, we will still need testing.

**CLEMENTS:** Oh, I [INAUDIBLE]

**CAVANAUGH:** But-- and this is probably something that DAS can-- can speak to more clearly because I'm not entirely sure in these contracts if it's a six-month contract or a year contract, what all is covered, because we did procure-- on page 10 of the Nomi one, it says we procured 540,000 tests for the cost of \$13 million and we could-- which was supposed to be administered over 180 days, and we could purchase additional tests for the next 180 days. So there may be a contract renewal coming up in six months, but I-- that's a question that hopefully the department can answer for us because I-- I'm-- I'm not clear.

**CLEMENTS:** And is-- Nomi Health is doing business as TestNebraska, is that it?

**CAVANAUGH:** Yes. So Nomi Health is the partnering company that we contracted. TestNebraska is their program. They also do TestIowa and TestUtah so that-- yeah, they administer the technology side of it and they are the ones that procured the testing supplies that we needed. And then I believe we have local healthcare entities running the tests. It was CHI. I will let the department speak to if that's still current.

**CLEMENTS:** All right.

**CAVANAUGH:** So--

**CLEMENTS:** Thank you.

**CAVANAUGH:** Yeah.

**STINNER:** Additional questions? There is a termination clause in here. I suppose you've read that.

**CAVANAUGH:** Yes, and the termination clause, yes, they're-- I-- I have-- I have concerns about the administration of-- of the program being accessible. And that is what most of the letters that have been submitted are, around the accessibility of the testing and being

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compliant with federal regulations for the website, being for the visually impaired or-- or hard-of-hearing, also people who don't have access to Internet or a car. So there are a lot of accessibility issues with the way that the TestNebraska program initially started out, which was the-- you go online, you fill out the questionnaire, and then you get your appointment emailed to you and you drive through. I-- I-- I'm hoping that we will learn today that some of those things have been addressed and resolved. But I have a letter as recently as July 30 that seems to state contrary, that those haven't been resolved, and so I'm hoping that we will hear from the department today that they're working to resolve those issues because there is a federal compliance concern. And of course, just giving access to our most vulnerable populations is a huge concern. I know that our federally qualified health centers submitted a letter to me, so I will actually have it printed and have the pages get that to you, talking about some of their challenges as well. The language barrier is then an issue, of course, but then the access to technology and Wi-Fi to do all of these things is an issue. And so I-- I'm certainly not an expert in these-- these areas, but I think that our healthcare entities' infrastructure within the state are great at delivering healthcare to those vulnerable populations in other areas, so partnering more closely with our public health departments and our federally qualified health centers would most likely help alleviate some of that. But it is my understanding the model has not been changed for how the testing has been administered.

**STINNER:** So for us, do you have a list of federally-- I mean the things that they have to comply with from the federal side and how you believe we're not in compliance so we can measure that?

**CAVANAUGH:** In the contract there at-- it says that they need to be federally compliant. And there-- I can get you the federal compliance language. There-- there is a list of things for website development, and just anytime we spend federal dollars, as to the accessibility for citizens. So we-- it's part of the ADA and I can get-- I can get the committee the language.

**STINNER:** OK. I-- I did the COVID test, didn't have any problem, so maybe it's just my name, right? Senator Hilkemann.

**HILKEMANN:** What-- what percentage of Nebraskans have not-- were-- were-- are not getting TestNebraska?

**CAVANAUGH:** That I-- I-- I don't have the answer to, but I can certainly talk to our public health departments and get you that

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information. So what we've heard, it's-- it's been from advocacy organizations that have had sort of the constituencies that they serve contacting them that they are having access issues. So populations that are lower income don't have a car. Say you have a health-- a mobility issue and you might use like MOBY in Omaha. You can't use that to go through TestNebraska because they can't roll down the windows. And if you don't have your driver's license or you don't have an email to sign up for it, then you can't get it through that. And then, of course, we have the issue of people who are maybe not comfortable giving all of their private information through the website. And so that's something that is another barrier, too, because some-- the information that is requested on the website is not necessary-- is not all medically necessary. And you can look at what some of our county public health departments have put up for their questionnaires, which would be, I think, probably more appropriate and in line with what people are comfortable giving away information for.

**HILKEMANN:** Are you aware of long lines to get to the-- this test for TestNebraska?

**CAVANAUGH:** I am very aware that currently there are not long lines because TestNebraska is set up like two blocks from my house on 72nd and Dodge and there's never any line there at all, so no.

**HILKEMANN:** OK [INAUDIBLE]

**CAVANAUGH:** But-- but you have to go,

**HILKEMANN:** From my understanding, we're doing better than a whole lot of states.

**CAVANAUGH:** Right. But ideally, you could come-- you-- a person could go to there, just show up and be tested, but that's not-- you have to have a car, you have to go through the registration process, you have to have an email address, and there's a lot of populations that-- that don't fit that description.

**HILKEMANN:** OK.

**STINNER:** So, Machaela, when I look at this contract, they're talking about-- or Senator-- excuse me--

**CAVANAUGH:** That's all right.

**STINNER:** --Senator. A full year of testing, \$78 million is what they're estimating, but they use cost per citizen, spreadsheet time,

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testing volume, so they went through some kind of estimation process, is that correct?

**CAVANAUGH:** I would say that that is a question for the department.

**STINNER:** OK.

**CAVANAUGH:** I have-- that number to me is-- is concerning because another area of-- of-- of concern that I have with the contracting is, in addition to the testing kits, which is the bulk of the \$27 million, \$28 million, was \$13.5 million for the testing kits, which is something that we all know we vitally needed, especially back in April. But the rest of the contract, from my perspective, and I am not a contract lawyer, seems like additional things that we didn't need as a state, but perhaps who were required to engage their services on, like the website. If we could have purchased the testing materials ourselves from them as a vendor and distributed them across the state as needed to our public health departments, to our hospitals, to our healthcare providers, and administer the program within our own infrastructure, I think we wouldn't have seen quite as many of these hiccups and these large costs for additional things like website, database management-- management. I mean, we have NeHII, which already manages our healthcare data-- data. So I think that there are opportunities moving forward now that we are not in that rush to test, rush to get testing. I think we have opportunities to explore what is right for us moving forward in this venue.

**STINNER:** So you contend-- or your contention is, is that by using our infrastructure, meaning the state of Nebraska's infrastructure of public health, using NeHII's technology, then probably UNMC as the lab--

**CAVANAUGH:** Right.

**STINNER:** --that we would have been dollars ahead rather than this turnkey situation that we signed up for?

**CAVANAUGH:** Yes.

**STINNER:** OK. I just wanted to know what your contention is, so--

**CAVANAUGH:** That is my belief. I am happy to be dissuaded of that belief.

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**STINNER:** But you're saying that we have hiccups right now, but I-- I don't have a single constituent that's come to me that had a problem. I [INAUDIBLE]

**CAVANAUGH:** So there-- I-- a problem with getting access to testing?

**STINNER:** Right.

**CAVANAUGH:** Right. So I think that those are probably more in communities where we have food processing and just larger population-- diverse populations like Omaha and Lincoln, Grand Island. That's really, I think, where most of those issues are coming.

**STINNER:** OK.

**CAVANAUGH:** And also, I know, and I think that the department will possibly speak to this, long-term care, for awhile that was a-- very big obstacles that we weren't getting testing in our long-term care facilities. And I do believe that they set up a mobile testing where they went to long-term care, because the model was that you came to TestNebraska and they didn't go into communities. And so I do believe that they have resolved the long-term care issue of testing.

**STINNER:** But you contend we had enough people in the public health piece of our state or that there was an available workforce they could have grabbed right away, because everybody I talked to in my public health, they're just worn out, they're-- they're the ones that are on the telephone, you know, backing up, trying to, you know, call everybody that was associated with this or exposed. And they, to my knowledge, didn't have much slack time or personnel capabilities to do the testing.

**CAVANAUGH:** So the testing was administered by the National Guard. So we use-- we used the Nebraska National Guard for the testing at the beginning when all of this started, so we were using those resources as well.

**STINNER:** OK.

**CAVANAUGH:** And local-- I mean, everyone who-- everyone who worked at the testing sites are local people. They're people that live in the communities or the Nat-- the-- Nebraska's National Guard. I don't-- I don't agree with how this all started, but I-- I'm happy that we have the testing and I think that the testing is very useful for a very large population. It's not-- but it's still not useful for our most vulnerable populations. And so I hope that in moving forward, my

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intention with this is that we can have a discussion around what needs to be done and how we can vet those contracts more thoroughly, because there is-- and I can send the committee. I just didn't want to overwhelm you all. There's hundreds of pages of emails and communication back and forth, and this all came together over a very short period of time, days. And there were no conversations, to my knowledge-- I have reached out to county public health departments and I have reached out to UNMC and there were no conversations with either in advance of-- of initiating this contract to even see what the capability was. So like Douglas County found out that this was happening when it was announced at the press conference, as did UNMC. And so to me the-- that is a concern and raises a flag because we have an opportunity to use our own infrastructure, additionally, keep those dollars in our state, using our resources and building out our own programming, and we ultimately have to partner with those entities anyways. I think that's what we're doing now. And UNMC runs the state public health lab, so it's-- I-- my understanding and reading over all the documentation that I've read over is that we were in crisis. It was an emergency. This came to the Governor's Office and they moved forward with it quickly. And I understand why, you know, thinking back on April, I understand why that would happen. Of course, we want to take care of Nebraskans, but it's-- it still is having those issues of accessibility and it is a lot of money that is going out of our state to an out-of-state company. And so I just want to make sure that we're being transparent about that and looking at it moving forward before we reengage in another contract as to whether or not this meets the standards to meet all of the needs of Nebraskans.

**STINNER:** OK. I just want to ask one more question.

**CAVANAUGH:** OK.

**STINNER:** You say most vulnerable.

**CAVANAUGH:** Yes.

**STINNER:** Describe for me who that is. Is it--

**CAVANAUGH:** So--

**STINNER:** --the old people in the nursing homes, the--

**CAVANAUGH:** The-- well, nursing home, long-term care, of course, those are very vulnerable populations. And as I said, I believe that that has been addressed, but I will let the department speak to that. People with disabilities, whether they're developmental disabilities

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or physical disabilities, we're not meeting their needs in this testing. People with developmental disabilities oftentimes, not always, depending on what the disability is, don't have the ability to drive themselves somewhere. They have to take some sort of transportation, whether it's a bus or-- or public or some sort of public service bus or van. And so those-- those individuals are-- are basically being denied access to this state-funded testing. Anytime the state is funding something for the people, for its citizens, it should be accessible to all of its citizens. If you don't speak the language, then there's that barrier. If you don't have Internet, which a lot of people do not have Internet, es-- even in urban areas, which we have-- that really has come to light when we went virtual with school in Omaha, that-- how-- how much of a need there is for Internet. So you're-- you're-- you're really cutting out these-- the low-income populations and vulnerable populations that are medically fragile or developmentally disabled or just differently abled. So there's a lot of-- of compliance issues on that side with ADA that are problematic. I don't know if I'm answering your question or not.

**STINNER:** I'm just trying to define who-- who we're talking about. Go ahead, Senator.

**HILKEMANN:** Yeah. Are you maintaining, Senator, that-- that other states had all of this in their original testing that-- that-- that we didn't have in Nebraska?

**CAVANAUGH:** I am not contending that. I have spent an exorbitant amount of energy and time reading over everything TestNebraska. I have not dug into what other states are doing. I assume that Iowa and Utah have similar issues because it's the same testing program, but I know that states work very hard, including Nebraska, to be ADA compliant. And the website alone for TestNebraska is not ADA compliant. Our state website is, but this website that's run by this private company is not ADA compliant.

**HILKEMANN:** OK.

**STINNER:** OK, anything else? Seeing none, thank you.

**CAVANAUGH:** OK.

**STINNER:** Good afternoon.

**BRAD MEURRENS:** Good afternoon, Senator Stinner. Members of the committee, for the record, my name is Brad Meurrens, B-r-a-d M-e-u-r-r-e-n-s, and I am the public policy director at Disability

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Rights Nebraska. We are the designated protection and advocacy organization for persons with disabilities in Nebraska, and I'm here today to provide some information regarding the inaccessibility of the TestNebraska program for Nebraskans with disabilities. Now, one caveat, I am not the leader on our work on this issue. Conflicts arose with schedules and they were not able to be here, so I may not be able-- I might not be the-- the authority on this issue in our office, but I can certainly get you connected with people who might have better answers or more answers for you than I can provide you today, but I'll do my best. People with disabilities are at a higher risk of contracting and having medical complications from COVID-19, given their existing health conditions and/or other environmental, phys-- financial, or social factors, yet Test-- TestNebraska was designed and implemented to be inaccessible for Nebraskans with disabilities. Participation in TestNebraska requires access to the Internet to complete the prescreening. Some Nebraskans with disabilities do not have access to the Internet in the congregate facility where they live. Some Nebraskans with disabilities who live independently do not have a computer or Internet access at home. Some Nebraskans with disabilities, particularly those with intellectual or developmental disabilities or other cognitive or age-related disabilities, lack the ability to use the Internet. Participation in receiving the test itself requires the ability to drive to the testing site. Many people with disabilities do not drive or have access to nonemergency transportation. In addition, the testing sites sometimes have wait lines that require a significant amount of time in a vehicle, which can be challenging for many people with disabilities. Consequently, Disability Rights Nebraska, the Center for Public Representation, and The Arc of the United States filed a complaint with the U.S. Department of Health and Human Services Office for Civil Rights over the state of Nebraska's ongoing failure to provide access for Nebraskans with disabilities to TestNebraska. Our complaint outlines that TestNebraska discriminates by leaving behind the Nebraskans with disabilities, in violation of Title II of the Americans with Disabilities Act, the ADA, and Section 4 of the-- Section 504, excuse me, of the Rehabilitation Act, and how the Nebr-- state of Nebraska has failed to make reasonable modifications for Nebraskans with disabilities despite repeated requests from our organization, other advocacy groups, and state lawmakers. For months, we and other advocates have been calling for the state to create a plan for Nebraskans who cannot drive or travel to a mobile testing site. Furthermore, we were very disheartened to hear Governor Ricketts' recent comment that TestNebraska was designed for regular customers, and I'm using air quotes. Perhaps this is merely a poor choice of

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words on the Governor's part, but it certainly suggests that people with disabilities and their needs during the pandemic were merely an afterthought in this case. All of Nebraska's citizens, whether, air quotes, regular or not, deserve equal access to this important, potentially lifesaving program. We have also been conducting remote monitoring of institutional and other long-term care facilities, like group homes for people with intellectual and developmental disabilities and assisted-living facilities for persons with mental illness, across the state. As outlined in our complaint, one striking example is that a guardian contacted us for an adult living in a long-term care facility. The guardian was informed that there was a positive COVID-19 diagnosis in the home where the ward-- where their ward was living. The TestNebraska site indicated testing was warranted, but the long-term care staff had no ability to transport the individual to receive the test. The guardian made multiple calls to try and arrange transportation to the test site, but was unable to find anyone willing to place the person who was possibly COVID-19 positive in their car for the drive. The state of Nebraska must reexamine the TestNebraska planning and operative model. We suggest looking at the following areas: issuing a directive that individuals with disabilities who are unable to travel to TestNebraska testing sites will be provided with COVID-19 testing, including through mobile testing at individuals' residences and/or by providing accessible transportation at no cost; expanding TestNebraska testing capacity to meet the needs of individuals with disabilities; offering a screening process that does not require Internet access; or implement policies and procedures and make reasonable modifications to ensure that persons with disabilities have equal opportunity to access TestNebraska. That concludes my statement. I'd be happy to answer any questions that you may have, and I would suggest that our organization is ready and willing to engage in this conversation to find some solutions that will work for all parties involved. And I also handed out a copy of our office's civil rights complaint itself, in addition to my test-- my written testimony. I'd be happy to answer any questions.

**STINNER:** Questions? Senator--

**HILKEMANN:** So you con--

**STINNER:** --Hilkemann.

**HILKEMANN:** So you contend, sir, that if these four items were taken care of, that that would-- that would solve the issue with the people with disabilities?

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**BRAD MEURENS:** Well, I think it's just-- I think that those four examples are good starting points for discussion about what those needs are and how best the state can achieve and meet those needs and be in compliance.

**HILKEMANN:** Since this is your area of-- of expertise, have-- what have other states done?

**BRAD MEURENS:** Sure. I don't-- I don't know every other state, but I know that there have been other states that have filed similar OCR complaints echoing some of the similar arguments that we did as well. I don't know-- have a list off the top of my head, but I think our staff might be able to either have that or can help come up with that as well, yeah.

**HILKEMANN:** OK.

**STINNER:** It's interesting to me-- I'm sorry,

**HILKEMANN:** [INAUDIBLE]

**STINNER:** Am I interrupting?

**HILKEMANN:** No, that's all right.

**STINNER:** It's interesting because right off the bat I asked about DD and making sure that certain dollars were put there. Precisely, some of these were in my request or my investigation. There is COVID mon-- not COVID money, CARES Act money specifically for DD people because of all the things, the limitations you're talking about. It's interesting to me to find out that some of that wasn't incorporated, or if it was, there's exceptions. So I think we've got to follow up on this.

**BRAD MEURENS:** I agree.

**STINNER:** And I don't know what Governor Ricketts' comments were relative to regular customers. Maybe he was thinking that there was a specific program for the DD people. Now how we implemented it or how good it was, I don't know the answer to that. But I will follow up on your four points. I-- it seems to me that I was told that there's-- there was a-- really, a substantial amount of money for DD under the CARES Act to do testing, to take care of what the needs were there. So I know it's-- I know it's in the bill. I know it's in the CARES Act. I can't tell you off the top of my head what those dollars were, but that was the intention there. Now how we executed it is something that

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we're-- we'll follow up on and make sure that I understand it a little bit better than I do today but--

**BRAD MEURENS:** Yeah, I think--

**STINNER:** No, I appreciate that because otherwise we don't know what's happening out in the field.

**BRAD MEURENS:** And I-- I think that's a--

**STINNER:** It makes sense to me that these people can't drive, that they don't have access. They should be able to call and somebody show up and administer the test. That should not be a big deal.

**BRAD MEURENS:** I agree, Senator Stinner. I agree with you and I--

**STINNER:** And I think there was money put aside for that.

**BRAD MEURENS:** I think there--

\_\_\_\_\_ : There was.

**BRAD MEURENS:** I think there was, but-- and I know that in-- you know, in-- in the original conversations with the Division of Developmental Disabilities, they weren't doing mandatory testing. They were doing testing if you asked for it or if you got a request from a doctor or the re-- TestNebraska site, you could get it. But there were no-- there was no testing in long-term care facilities. There was little to no testing in DD facilities. There was little to no testing in the assisted-living facilities. In fact, one of the assisted-living facilities that we-- I talked to myself, they were like, we're-- we are doing the testing on our own because we can get tests faster and we can get it done. And they-- they were talking about some of the hiccups that were in the system that were preventing a robust, you know, responsive testing program to being done.

**STINNER:** I-- I can tell you that there wasn't a mandate to test DD. There was money set aside in the CARES Act to take care of all the concerns that you have. It was a considerable amount of money and I-- I'm thinking it was \$8-- \$8 million to \$10 million that we set aside. Because they were a special case with special needs, we're going to-- we're going to handle it in that fashion. And I thought that-- I know I went through this with the-- with the Fiscal Office and they were going to check it out. So--

**BRAD MEURENS:** Yeah, I think--

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**STINNER:** --let me check it out to make sure that I get-- I'm accurate in what I'm saying because--

**BRAD MEURENS:** Yeah. Sure. I think, Senator--

**STINNER:** --I think it's legitimate what you're saying here and [INAUDIBLE]

**BRAD MEURENS:** Yeah, think that's a-- you know, yeah, Senator, I think that's a good-- I think-- I think that's a good rabbit hole to go down. I think that's a good investigation--

**STINNER:** Yeah, want to know what happened to the money.

**BRAD MEURENS:** --figuring out what you're saying there.

**STINNER:** That's--

**BRAD MEURENS:** Yeah. And maybe I could have-- if you want, you know, maybe we could have a conversation with our office and your office and-- and see if we can come together--

**STINNER:** Yeah, let's-- let's--

**BRAD MEURENS:** --and have a collaborative investigation.

**STINNER:** Let's do a follow-up--

**BRAD MEURENS:** OK.

**STINNER:** --to make sure we understand it better. And-- and if there's one or two exceptions because there was, you know, some misunderstanding, we can get that redone. Senator Vargas.

**VARGAS:** Thank you very much for being here.

**STINNER:** I'm sorry, Tony.

**VARGAS:** And thank you, Chairman Stinner. So tell me a little bit, so what were the responses back from DHHS that-- when these were submitted as-- as complaints, what-- was there anything formal, formal responses received?

**BRAD MEURENS:** Could you repeat the question, Senator?

**VARGAS:** Were there any formal responses received from DHHS based on some of these issues?

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**BRAD MEURENS:** You know, I don't know off the top of my head. Let me get-- let me see if I can talk to my staff, if they have a better answer for you, and get back to you.

**VARGAS:** OK. And do you know of any-- you know, obviously, Utah and Iowa each have a similar contract. Do you know if there is any-- with the disability rights community, what they've been doing there? Have they've been running into similar issues? Is it different? Is it because the contract is different? You know, do you know anything about that?

**BRAD MEURENS:** That would-- I don't know. I've-- I'll talk to my staff and see what they-- what they--

**VARGAS:** OK.

**BRAD MEURENS:** --what they know. I know they've been in contact with other states and other folks on the national level. But I do know that there have been other states that have filed complaints similar to ours with similar issues. I don't know-- I don't know how many of those are or what those particular-- what particular states those are, but I can certainly get our staff to give you some more information about that, if you'd like.

**VARGAS:** I appreciate it. I'm also saying it out loud for those that might come up later. I have to leave a little earlier, but that-- that might be a question that's worth-- worth answering following this. And the reason I ask is because I imagine that there's probably some response that's been had. Maybe some of it has to do with the contract, probably lends a little bit to the procurement process question, because then some of this can be worked out to make sure that there's certain availabilities of services, you know. But, you know, that's a question for what-- what happens from here on in, especially since-- and I can't remember off the top of my head when our contract ends with TestNebraska or, you know, what's the end time. Thank you very much.

**BRAD MEURENS:** Sure.

**STINNER:** Senator Wishart.

**WISHART:** Brad, thank you so much for being here today. Do you know of states or communities where they are doing it right in terms of meeting the needs of people with disabilities, in terms of the testing infrastructure?

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**BRAD MEURENS:** Off the top of my head, I can't give you a particular state. But let me get back to my folks and see if--

**WISHART:** OK--

**BRAD MEURENS:** --if they've got a better answer for you.

**WISHART:** --because what would that look like? Would it be a sort of mobile response team that could come that would have a mobile unit then that could come to people's homes, kind of upon demand of symptoms or doctor, and have a-- a service that meets any kind of disability need?

**BRAD MEURENS:** Yeah.

**WISHART:** Would that be what it-- just walk me through--

**BRAD MEURENS:** Sure.

**WISHART:** --what it would look like so we can--

**BRAD MEURENS:** Well, I think it could take a variety of forms. I know-- maybe this will kind of give you a little bit of a-- shed a little light. You know, I was talking to a colleague in West Virginia and they were saying that, well, they were the first state to mandatory test all of their long-term care residents. And they said-- and he was saying that, you know, it-- it took the National Guard coming in and going to the long-term care facilities and doing the testing on site because the-- the-- the state was kind of-- and the organizations were-- were dragging their heels. The governor was not happy with that, so he's ordered the National Guard to go in there and go to the sites and do all of the testing. So I think, you know, that might be, again, a solution, because if we can't get people to the sites, then we've got to find a way to get the sites to the people or the testing to the people. I think that might be a way, you know, and I-- and I think that can take a variety of different formats or different ways to do that. It's Monday/Wednesday/Friday, Tuesday/Thursday, for example. But I think-- but I-- but I think that the shape at which that takes and the form and the-- and the processes that are involved in making sure that all Nebraskans are-- are available-- can avail themselves to this program, you know, well, I think that will come-- come out of the discussion, you know, and having a collaborative discussion about what those needs are and how can we best meet those needs as a state and in different-- the nonprofit, for profit, and public, you know, communities can get together and figure out what that looks like. But I can-- again, I

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will go back to my office and talk to my staff and see if I can get you some more definitive examples.

**STINNER:** Anybody else? I can tell you that mandatory testing was not discussed in the state, but that's a different subject.

**BRAD MEURENS:** Sure, sure.

**STINNER:** Seeing none, thank you very much--

**BRAD MEURENS:** Thank you.

**STINNER:** --for your testimony. We will follow up with you on this.

**BRAD MEURENS:** You bet. Thanks. And I'll get-- I'll follow up with you, with my staff as well.

**STINNER:** Yeah, yeah. Good afternoon.

**JOHN WYVILL:** Good-- good afternoon, Senator. Mr. Chairman, members of the committee, my name is John Wyvill, W-y-v, as in "victor," -i-l-l. I am the executive director for the Nebraska Commission for the Deaf and Hard of Hearing and certainly appreciate the sponsor's invitation to come and address this committee, especially the Appropriations Committee. And I am here on a serious subject, not about money, but about the issue of communication access, which is one of the number-one concerns for the deaf and hard of hearing community. To provide context, approximately 20 percent of our population has some form of hearing loss, whether identified or not, and 1 percent of the community is considered deaf. I am also-- have another-- what's known as selective hearing, according to my wife of 20 years, so this is an important issue for all of us and we do appreciate and [INAUDIBLE] thank you to the Appropriations Committee, because during the COVID pandemic, many of you have reached out to me to see what we can do for the deaf community and the hard-of-hearing community, so we [INAUDIBLE] all of you and we're mindful of the challenges. And the challenges that we present to you is, in a mask environment, to cut-- you get cut off from words. And as they say, describing deaf and hard-of-hearing and blind, from a disability advocate perspective, Helen Keller famously said, being blind cuts you off from things, being deaf cuts you off from people. So imagine the context in a situation where we are in a hospital setting or a medical testing with masks and all the safety precautions that we have to do, is how can we have effective communication? Pursuant to that end, the Chief Medical Officer for the state had reached out to us prior to the pandemic, wanting to know what can we do to address communication access in the

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setting. And so when the pandemic broke out and the testing came out, we reached out again to the Chief Medical Officer, who wanted to make a very point of saying, if there's any issues that come up with TestNebraska or access in this kind of setting, to reach out to him. I have reached out to him several times, and most recently this morning involving a situation, found the Health Department and the Chief Medical Officer for Department of Health and Human Services to be very responsive to any issues that I've addressed. They may not give me the answer that I want, but it is a-- I think the most important thing is empathy, concern, and willing to address any issues that come up. And most recently, the example that we have specifically would be a deaf consumer being tested on a Monday and, for whatever reason, the glitches or something, do not get their results till Saturday. And then we have a mixed bag of a consumer that happens to go in, that's deaf, to be tested and finds out the tester is fluent in sign language and had very easy experience, so it is a mixed bag. But the bigger issue for all of this and for this committee and for all of us is the mask [INAUDIBLE] the recognition of the communication barriers, not only for deaf and hard-of-hearing, but those that English is not their native language. And all of us working together have to ask the tough questions about how we go about addressing those needs. And TestNebraska, just like anybody else, has to be accountable and answer at the end of the day, not only for the people of Nebraska but for the people that we work for, for this, and this is why we normally reach out to the Health Department, because the Chief Medical Officer, in addition to being known as the top doctor, is the licensing requirement. And if they're not fulfilling communication access, that is a licensure issue involving standard of care and delivery of health services, separate and apart from the Americans with Disabilities Act. And also there's another big thing called federal funds. If you accept federal funds, you have to play by the rules. And if you have access issues there, that's why you are listening to the Office of Civil Rights receiving those complaints, is that could offend-- affect the ability of care and federal funds. So in short, we just want to let you know that we do occasionally get complaints. We bring those to the attention of the Chief Medical Officer and to my knowledge, I don't think any of that has not been addressed or being in the process of address, with the caveat that sometimes we may not like the answers. But our view, perspective, they have to look at the big picture and we're just looking for us, and some of the bigger issues come up involving communication access in masks and how to do that in a medical setting. And they also have to take into account the big picture of they don't want-- they don't want-- they want to contain the pandemic, not expand it, trying to provide communication access,

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so it's not an easy balance. And I conclude my remarks with any questions-- answer any questions you may have.

**STINNER:** Questions?

**WISHART:** I have one.

**STINNER:** Senator Wishart.

**WISHART:** Thank you so much for coming today. Are they-- what-- how is the innovation coming on masks that are clearer? I see yours.

**JOHN WYVILL:** Yeah.

**WISHART:** But sometimes those are not as readily available. But from your experience, is there more masks where there is that clear fabric so that-- so that we avoid this problem?

**JOHN WYVILL:** There is a number of different masks. There's one mask that has been known within the-- within the agencies called the "beekeeper" mask and which goes over the entire head, which is clear, and that sometimes works, or one that looks like a face shield. Sometimes you may see that in a grocery store or see that in a school setting. The biggest challenge, Senator, comes-- and, for example, in a medical setting, in a hospital setting, is that some of the clear masks that we have may not meet the requirement for the internal controls for infection control, and that is the risk and that is the bigger thing. But I think we're seeing more and more as we get into this. It's going to last longer, and I just saw something online, I think on the Politico website, where they said 12 different experts are saying this is going to be into foreseeable-- into, you know, this time next year. And, you know, then the norm will be two or three down-- two-- two or three years down the road. So there's going to be some time that we-- you know, hopefully the technology will catch-- catch up. Even if we do have a vaccine, you're still going to have a problem because you have the flu and then the next pandemic that's going to come down the road.

**STINNER:** Additional questions? Seeing none, thank you very much. Thank you for what you're doing.

**JOHN WYVILL:** OK. Thank you very much. Senator, and members of the committee.

**STINNER:** Afternoon.

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**DOUG CARLSON:** Afternoon, Chairman. How are you?

**STINNER:** Good.

**DOUG CARLSON:** Good. My testimony that I handed out, I timed myself. It's 10 minutes and 45 seconds, so instead I'll read some highlights so we can-- I'm sure there'll be plenty--

**STINNER:** Can you say and spell your name too, so--

**DOUG CARLSON:** Yep, I certainly will, Senator.

**STINNER:** OK.

**DOUG CARLSON:** So good afternoon, Chairman Stinner, members of the committee. My name is Doug Carlson, Doug, D-o-u-g, Carlson, C-a-r-l-s-o-n, and I am the deputy director and materiel administrator of the Department of Administrative Services. I'm here today to answer questions regarding TestNebraska. As the materiel administrator, I am responsible for effectuating the contract with Nomi Health which helped create TestNebraska. The COVID-19 pandemic has been a difficult undertaking. It's been hard on our state, family, friends and neighbors. On March 13, 2020, Governor Ricketts declared a state emergency to meet the challenges this global pandemic presented. It quickly became clear that COVID-19 testing was going to be critical to the success of our state. At the same time, it also became clear that testing was going to be difficult as the entire world was competing for the same testing equipment and supplies. To help you understand how we got here today with TestNebraska, it is critical to understand our normal bidding process, which includes drafting requests for proposal, so-- soliciting bids, evaluating the bids, and potentially defending or reconsidering the bid if there is protest. With a contract this size, it takes around 12 to 18 months from requests for proposal to the signing of the contract. In this emergency, that timeline was not-- was not an option. So leaning on the emergency declaration, the Governor's emergency powers, and our normal emergency procurement statutes, we signed a contract with Nomi. Had we gone through our regular procurement process, we would likely still not have a contract signed yet. So why Nomi? Prior to TestNebraska, the Materiel Division had made multiple attempts to acquire testing equipment and supplies via normal channels by informal solicitations. I contacted the National Association of State Procurement Officials to look for vendors, contacted the CDC, the FDA, and FEMA, as well, all in an effort to find testing solutions for Nebraska. Consistently I was told they do not have a resource for us but to keep looking. We

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also looked for options within the state and to work with Nebraska companies, but there were none available. Nomi Health had testing equipment and supplies that we needed. Nomi Health is responsible for the collection kits and testing equipment to include the automated extraction machines, reagent, polymerase chain reaction, or PCR, machines. The collection kits are used to swab the patient and include a nasal pharyngeal swab, collection tube, and transport media. This important to understand as the collection kits were in a critically low short supply as the United States and the world ramped up their response to COVID-19. Back in early April, FEMA was actually able to get us testing swabs. However, they were not able to get us the collection tubes or transport media, which are critical components to complete the test kits. Nomi also had automated extraction machine-- machines and reagent available. The automated extraction machines isolate the viral genetic material. We have existing relationships through Nebraska Public Health Lab with three main fac-- manufacturers of those machines, but these manufacturers were unable to provide the capacity required. Nomi Health was to provide high-output, high-complexity automated machines. On Wednesday, April 8, I received an email from our District 7 representative, from our federal partners at the Department of Health and Human Services, stating they were critically low on automated extraction kits and they could not supply us. This meant that NPHL would have to manually extract the RNA. This manual process would not allow the testing throughput that this state needed to test on a large scale. Finally, Nomi Health had the PCR machines. The PCR machine detects the presence of COVID-19 after the RNA has been extracted. The PCR machines require reactions plates, which, again, were noted in critically low supply and were not available on the market. Throughout this pandemic, we worked with state partners who have always been a part-- critical to our state's response. In fact, I have attempted to procure multiple pieces of equipment and supplies on behalf of Nebraska Public Health Lab to help them increase capacity for testing. I would now like to address the lab portion of the TestNebraska program. The Centers for Medicare and Medicaid Services, or CMS, regulates all laboratory testing performed on humans in the United States through the Clinical Laboratory Improvement Amendments, or CLIA. This CLIA certification was a critical piece. Considering the equipment required for COVID-19 testing requires high throughput and high-complexity machines, it is the United States Food and Drug Administration requirement that we use CLIA-certified labs. We decided to partner with St. Elizabeth's in Lincoln, a part of CHI Health, to operate the TestNebraska lab. CHI placed their reputation and CLIA certification on the line to partner with us. In fact, a CLIA certification, no-notice audit occurred in

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late June with the audit completed on July 10, 2020. A federal auditor came in and looked at every aspect of the TestNebraska lab and program, including our equipment and processes. This audit could have easily shut down the entire lab and effectively stopped TestNebraska at any point during inspection. Instead, they only found two standard-level deficiencies and described the lab as one of the best. I would like to take a moment to publicly commend St. Elizabeth's for their passion, professionalism, and expertise. The TestNebraska lab has valid-- has validated the testing specificity and sensitivity of the equipment three times. Our process includes getting testing samples from our Nebraska Public Health Lab and running them through the TestNebraska lab and then comparing the results. The average specificity is 95 percent and the average sensitivity is 90 percent. This is consistent with FDA guidelines. One of the efforts we made throughout this program was to ensure we were meeting the testing needs of all Nebraskan citizens, including the more vulnerable populations, low-income, minority, medically fragile, and people with disabilities populations. We have created over 120 locations throughout the state. You can drive up or you can walk up. You don't have-- you don't have to have access to technology. We can assess you on site, and the call center that we partnered with will help you get your results. One of our first efforts was to help the-- help test the meatpacking plants with large populations of immigrant workers. We helped test multiple locations throughout the spring and summer, such as locations in Grand Island and the JBS beef plant in south Omaha. It was critical to ensure the community felt supported. Additionally, we've worked hard to be in the communities and partner with organizations that support-- support low-income and minority populations, such as OneWorld in Omaha. We've also brought TestNebraska mobile sites to easy-to-reach locations, such as hospitals and malls, for ease of access to allow our citizens who leverage public transportation the opportunity to get tested. And finally, we leveraged TestNebraska to test over 50,000 long-term care facilities and assisted-living facility residents and staff across the state. In conclusion, I would like to highlight that between May and now, almost half of all COVID tests in Nebraska have been through the TestNebraska program. This equates to 260,000 Nebraskans who likely would not have been tested but for this program. TestNebraska has undoubtedly been a success, saved lives, and supported our economy during these unprecedented times. Thank you for your time. I'd be now happy to answer any questions, any--

**STINNER:** Thank you. Questions? Senator Hilkemann.

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**HILKEMANN:** You've heard the previous testimony about those people with-- with disabilities. What was done specifically for that-- for that community?

**DOUG CARLSON:** Yeah, one of the biggest things that we discovered was providing access for-- for drive-up, so we created walk-ups. That was-- that was a big thing that we did. We-- we pivoted pretty early on that we needed to have that was an issue and we needed to provide walk-up, and that eliminated a lot of issues right there and provided a lot more access for folks, so you no longer have to be in a car for TestNebraska. You can walk up and get tested that way as well.

**HILKEMANN:** And when did that start? When did that begin?

**DOUG CARLSON:** I'll have to check the date, Senator. I-- I know it's pretty early on. I'd-- I'd really hate to speculate.

**STINNER:** Senator Wishart.

**WISHART:** Thank you so much, Deputy Carlson, and for all your work on this. And I appreciate you taking into consideration-- I know you-- you do-- people with disabilities. Is there an option moving forward, as we move into the sort of winter months where transportation is even harder for people who don't have the same level of mobility as others, to do some type of remote option to come to people?

**DOUG CARLSON:** Well, I think that's a great question, Senator, and I think that's a conversation that we should-- we should be having.

**WISHART:** Yeah.

**DOUG CARLSON:** What I'm-- what I'm-- what I'm not certain of is if TestNebraska is the right answer for that.

**WISHART:** OK.

**DOUG CARLSON:** But I think what we should be thinking about are those exact types of questions.

**WISHART:** And the one other question I have is, you know, the previous testifier talked about how we don't know how long we're going to be dealing with this pandemic and it may be much longer than we anticipated. There's likely going to be innovations that come into place, even so much so where people are able to self-test very quickly. Do you see TestNebraska and the work you're doing-- are we ready to be nimble enough to be able to absorb some of the innovations

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that come down the route, private or public, so that we can lead on some of this effort in Nebraska?

**DOUG CARLSON:** Yeah, I think Nebraska has been leading the effort in so many ways. I'm just wildly impressed with everything that Nebraskans have done. I think that there is not a day that goes by that we don't think about what's next and what's coming, and we should be. I think TestNebraska is one part of the solution. I think there's going to be a number of solutions. You're probably familiar with the antigen testing. It might be blood or saliva; it's along that lines. Teams are looking at that and we should be. So I don't know what next is. I'm not sure that anyone actually does. But as every day that moves forward, we continue to look at all options.

**WISHART:** OK, thank you.

**STINNER:** Senator Clements.

**CLEMENTS:** Thank you, Mr. Chairman. Thank you, Mr. Carlson. You mentioned difficulty to obtain supplies. How is the supply chain doing now with abil-- ability to get the materials that are needed?

**DOUG CARLSON:** It's still difficult, in fact. So Nebraska Public Health Lab, on April 9, 2020, I ordered a Roche M-96 machine. It's an automated machine. They have a Roche M-24, so it's four-- so it's 24 plates, so 24 collection kits can be run at one time. We ordered a 96-plate machine, literally quadrupling the capacity. I ordered that on April 9. We still don't have it. That's the world that we're living in. What I think is important for the committee to understand is that we're not just competing amongst ourselves. We're competing against every state and every country in the world for the same material. And I think TestNebraska has been an amazing thing. The fact that we've tested 260,000 people, almost half of all Nebraskans, because of this program, I think it's pretty incredible. I'm certain there are opportunities for us to improve and we should have those conversations, but I think overall it's been wildly successful.

**CLEMENTS:** Who makes that machine that you ordered?

**DOUG CARLSON:** It's-- it's called Roche. They're one of the largest manufacturers of equipment. So Roche, Qiagen, and Thermo Fisher are probably the three, big three for machines like that.

**CLEMENTS:** A U.S. company?

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**DOUG CARLSON:** Roche is an international company, yeah. They certainly have a large market in the United States.

**CLEMENTS:** All right. Thank you.

**STINNER:** Senator Hilkemann.

**HILKEMANN:** Yeah. Do we have a lot of long lines for Nebraska tests at this point?

**DOUG CARLSON:** Well, for TestNebraska specifically, Senator?

**HILKEMANN:** Yes.

**DOUG CARLSON:** We set a record last week. We tested 23,000 people. And you don't see long lines very much by design. The program is designed that wait times will be less than ten minutes. We don't want people waiting a long time in cars. We want people to go about their lives the best that they can, and that means getting in and out, which means that the technology that we've leverage, the scheduling piece of it is-- works really, really well. So by design, we have enough people at the mobile testing sites. And when I say people, I'm talking about Nebraskans. These are not Utah people that came in here running this. This is Nebraskans. We leverage Nebraska doctors, Nebraska nurses, Nebraska lab technicians, Nebraska public health practitioners, such as 2017 United States Air Force nurse practitioner of the year Angie Ling behind me. That's who we leveraged. It's pretty incredible what they've done.

**HILKEMANN:** Yeah. I would just comment that I have not received lots of complaints about TestNebraska. And so from-- from my observation, I think you've done a great job. I-- I-- I have a nephew who had-- who's in Illinois. He-- he's an employer. And he said a couple of his employees had to be tested in Illinois. They-- after three hours, they left and he got the report back three days later that they tested positive and they weren't even tested. So, I mean, they-- so I think that-- that, you know, we-- we may have some exceptions where we have problems. But I think overall, from what I'm understanding, I think, you know, given that this all occurred within-- that we were-- this contract was-- was put together within weeks of when this whole thing broke out, am I correct?

**DOUG CARLSON:** It-- that-- that is correct, Senator.

**HILKEMANN:** Yeah.

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**DOUG CARLSON:** You know, and-- and-- and the senator, in her opening comments, talked about, you know, some of these-- no conversations were being had because I knew the world we're living in. They--

**HILKEMANN:** Yeah.

**DOUG CARLSON:** The resources just weren't there.

**HILKEMANN:** Yeah.

**DOUG CARLSON:** And if we were able to effectuate a contract responsibly, knowing that I'm going to be held accountable-- which is what I'm doing today, I'm being held accountable, and I should be because I'm spending taxpayer dollars, right? That's what we're doing here, so I should answer every question until all of you are satisfied, because you have a responsibility to make sure that we're doing good things for the state. So that's why I'm here today. And I assure you, we've done good things and we're going to continue to do good things with having more conversations about how we can get better.

**STINNER:** That--

**HILKEMANN:** [INAUDIBLE]

**STINNER:** I-- a couple of questions I have, Director. Number one is, I was under the impression under the CARES Act, immediately I went-- saw what the federal government had passed, DD was a line item, big-time dollars associated with that because of that vulnerable population. That was for direct testing; that was for a whole list of things. The-- is-- do you recollect the dollars? Do you recollect the purpose for it? Did you use those dollars for DD and--

**DOUG CARLSON:** You know, Senator, I'm not the right person to ask this question, but I have a team that's-- that's wrote down every question, and so we'll-- we owe you a response on that.

**STINNER:** OK.

**DOUG CARLSON:** And we'll partner with DHHS to make sure that we get you some answers.

**STINNER:** OK. And Senator Cavanaugh maintains that we could have done the testing through the National Guard, we could have done it through public health. My presumption is that you looked at those avenues initially to do internally but--

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**DOUG CARLSON:** Yeah, absolutely, you know, talking about--

**STINNER:** Was it a manpower thing? Was it-- oh, I mean, tell me. Tell me what--

**DOUG CARLSON:** So the answer is yes and yes. So with Nebraska Public Health Lab specifically, you know, I referenced the Roche M-96 machine that we still don't have. I mean, there's just no way to increase capacity utilizing them. We did leverage the National Guard and-- and I hope all Nebraskans are incredibly proud of what the Nebraska National Guard did for us and with us as partners. They-- they did a lot of great things, creating mobile test sites early in the beginning. People trust the National Guard, especially Nebraska National Guard, and they should because, you know, they-- they hold the highest standards. So their opportunity to protect the health, safety, and welfare of the citizens of our state, I think they did a fantastic job to-- to help us. It was-- it was a-- it's-- it's still very much a difficult, difficult time requiring-- acquiring the testing equipment and supplies that we need. You know, clear masks, Senator, you know, I just ordered 6,000 clear masks so our state employees can help-- especially think about DMV being in-- at the front line, being able to help some of our citizens, being able to get them clear mask. That took a long time, unfortunately, because that's just the world that we're living in, because we're all competing for the exact same thing.

**STINNER:** So on the contract there's a list, state government platform package, and it lists a whole bunch of specifications, did it for \$1.5 million annual fee. April 18, 2021, is when-- apparently we've paid this money already, is that a correct statement?

**DOUG CARLSON:** So we've paid \$19 million of the \$27-- \$27 million contract. So it ends April 18, 2021, just to make sure everyone's clear. April--

**STINNER:** Are they performing to their-- to what their specifications are?

**DOUG CARLSON:** They are, yep, and that's something that we measure consistently, and we should be measuring. This amount of money, it doesn't matter the amount of money. Fifteen dollars. It's taxpayer monies. We have a responsibility to make sure that they're meeting the-- the standards that we set forth. We-- I literally have daily calls with-- with Nomi, Qualtrics and Domo, really the-- the three entities that make up TestNebraska. I have a daily call with the

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public health-- or with, excuse me, with the TestNebraska lab, as well, just to make sure that we are being responsive and doing everything we should be doing.

**STINNER:** The dollars that drove this contract were estimated dollars, weren't they, for usage?

**DOUG CARLSON:** Well, so we--

**STINNER:** [INAUDIBLE]

**DOUG CARLSON:** --the contract we--

**STINNER:** [INAUDIBLE] restructured.

\_\_\_\_\_ : Yeah [INAUDIBLE]

**DOUG CARLSON:** Yeah. The contract that we signed, the biggest variable here is the amount of test kits. That--

**STINNER:** Right.

**DOUG CARLSON:** --that's really the big piece here. So right now we've ordered roughly 400,000 out of the 560,000 test kits. We have an option for another six months to order another 560,000 and, you know, we're-- we're right now looking at what that looks like. Again, I don't have a crystal ball. I don't --I don't think any of us do. But if I was to guess, I would say that testing is going to be here awhile. And we just need to make sure that Nebraska is in the best position possible that if you want a test, you can test. That-- that's my goal is that you want a test, you're going to get a test.

**STINNER:** OK. The way we always sign contracts is if there's no appropriation, there's no money. But in this case, it's federal money.

**DOUG CARLSON:** Right.

**STINNER:** So it's a little different story.

**DOUG CARLSON:** It is a little different.

**STINNER:** The out in the contract is if they don't perform, then we have a discussion with them, give them 30 days, and we're done? Is that how they--

**DOUG CARLSON:** If they don't perform and they can't meet the performance, they're gone.

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**STINNER:** OK. And in your estimation, based on all of your expert opinions and people looking over, even though we have apparently some glitches on DD that we've got to do some investigating on, figure out how we can administer this a little bit better. This has worked very well-- or reasonably well, anyway-- very well, in your estimation, right?

**DOUG CARLSON:** Yeah, I would say it's-- it's worked very, very well, Senator.

**STINNER:** OK. Any additional questions?

**WISHART:** Yeah, I have-- I have one more.

**STINNER:** Senator Wishart.

**WISHART:** In terms of-- so you are responsible for the procurement process. Yeah, I can imagine that is a very tricky one. And is there any discussions on trying to bring back into our state more ability for manufacturers to develop these products for us in state?

**DOUG CARLSON:** You know, if there's one lesson, Senator, that I think that is an opportunity for us to all think about collectively, and this is an existential discussion, but manufacturing in the United States, we have to get manufacturing back in the United States, I fully believe that. And this opinion is my own. Let me make that real clear that I'm not representing anyone but myself when I say this. I absolute believe that made in America, we got to get back to that. We-- we just do. Procuring PPE, as I've done in the state, procuring all things that I-- that we've procured from other countries, we-- if there is an opportunity to leverage America, and especially Nebraska companies, we should be doing that, which is why I just partnered with Dexter Myers, who-- they're-- they're going to make these walk-up tests, mobile test sites for us. They're a company right in Lincoln, Nebraska, of all places. They're going to be doing amazing things for us. So any opportunity I have to leverage Nebraskans, I want to. I absolutely want to.

**STINNER:** Any additional questions? Seeing none, thank you very much for your testimony. Thank you for all your efforts. I know this is trying times, but thank you.

**DOUG CARLSON:** Thank you, Senators.

**ANGELA LING:** Good afternoon, Chairman Stinner and members of the Appropriations Committee. My name is Angela Ling, A-n-g-e-l-a L-i-n-g,

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and I am the incident commander for the Department of Health and Human Services. I'm here to testify today about DHHS activities regarding TestNebraska initiative. I've been serving in my role as the DHHS incident commander since Tuesday, September 8, 2020. In my role, I manage all DHHS components of testing, temporary housing due to COVID-19, labs and vaccination planning. I'm a board-certified family nurse practitioner-- practitioner and also an active member of the Nebraska National Guard. Immediately prior to this position, I was assigned to serve as the Nebraska National Guard liaison to DHHS testing operations, ultimately operating on behalf of DHHS from March until August 2020. In this role, I connected and planned with local health departments, organized testing events, and participated in testing operations. Based on this experience, I am confident that Nebraska would have been at a significant disadvantage in the ability to handle mass COVID-19 testing without the use of the TestNebraska platform. In April 2020, Nebraska activated the National Guard to support COVID-19 testing across the state. This partnership, prior to TestNebraska, relied on the public-- the Nebraska Public Health Lab to analyze test results. At that time, we were only able to analyze approximately 150 tests per day for community testing. In order to increase capacity, we contracted with LabCorp and Quest Diagnostics. With these new contracts, Nebraska was able to support approximately 400 tests per day for community testing. The increased testing capacity involved the deployment of four National Guard teams to assist with testing events statewide. To facilitate this work, DHHS and the National Guard employed an epidemiological-foc-- focused approach by prioritizing COVID-19 hotspots and developing efforts to mitigate its spread. When the meatpacking plants began to experience an increase in positive and suspected COVID-19 cases, Nebraska officials recognized additional capacity would be necessary to ensure adequate tracing and prevention efforts. TestNebraska implementation provided the necessary widespread expansion to our state. The TestNebraska initiative has allowed DHHS to identify critical testing target areas and strategically deploy testing in more communities across the state. When first implemented, the National Guard was able to deploy up to six TestNebraska teams for COVID-19 testing. This initiative was able to increase Nebraska's testing capacity to 3,000 tests per day. While there have been some delays, citizens are currently able to receive testing results within less than 72 hours and many coming in within 48 hours. The delays to date have been resolved and were able to-- and were often a result of receiving more test samples than the laboratory had capacity to analyze. In such cases, turnaround time was sacrificed to ensure testing accuracy. In the next few days, DHHS will have expanded TestNebraska lab capacity

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to 6,000 tests per day. This will be especially important as DHHS looks to ensure K-12 schools, institutions of higher education, and long-term care facilities have access to regular, high-quality and accurate testing. Long-term care facilities, in particular, as a result of new federal guidance, will need this type of support to ensure they meet federal regulations to regularly test staff and residents. Before I close, I'd like to share a story. As a medical provider, I dedicate my life to helping others and doing whatever I can to get them the right workup and treatment at the right time. While in Dakota City, during an outbreak in the meatpacking plant, we dedicated much of our early testing supplies to this region. This was all prior to TestNebraska. One day, in particular, I was able to manage the traffic for the team while doing a site visit. Our testing operation started at 10:00 a.m. and ran until 300 tests were completed that day. While we waited for the team to get all the computers and supplies ready to go, I had the opportunity to talk to a gentleman in line. He was first in line and informed me he had been there since 5:00 a.m. to ensure he was able to be tested. He was exposed and concerned he had COVID-19. We heard this over and over and could see the fear and concern in the faces of those waiting to test. That day, we had over 300 people in line prior to 10:00 a.m. and had to turn people away due to limited supplies. It was heartbreaking that we couldn't provide more testing in an area in such need, not to mention we were unable to test throughout the state due to focusing on that region. Now we have the ability to do surge testing in areas like this. We added three additional sites just this weekend that are having outbreaks and did it without changing anyone else's schedule. This is all due to TestNebraska. In closing, Nebraskans needed increased testing and we needed it right away. TestNebraska was able to provide this for the state. Moving forward, TestNebraska will continue to be a critical component to ensure COVID-19 testing is available across the entire state of Nebraska. Thank you for the opportunity to testify today. I'd be happy to answer any questions you may have.

**STINNER:** Questions? Tell me this. Somebody in Scottsbluff gets tested. Where does their test go?

**ANGELA LING:** They all come to St. Elizabeth's.

**STINNER:** OK the--

**ANGELA LING:** They work as a-- they work as a region and they come through Regional West Lab.

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**STINNER:** So by doing Regional West, they can get results back in 72 hours?

**ANGELA LING:** Depending on when they get to-- a lot of times, it's a next-day delivery just because of the time line. So it's usually right around 72 hours.

**STINNER:** OK, just curious. We had longer delays than that initially. That was the only complaint I ever heard is it took up to five days.

**ANGELA LING:** Absolutely.

**STINNER:** Any additional questions?

**CLEMENTS:** Yes.

**STINNER:** Senator Clements.

**CLEMENTS:** Thank you, Mr. Chairman. Thank you, Ms. Ling. I'm curious how you're going to do 6,000 tests a day. What changes have you made to do that?

**ANGELA LING:** Doug Carlson could probably speak more to what the changes were in the lab. However, they have changed and increased their equipment in the laboratory.

**CLEMENTS:** All right. Have you had adequate staff available to administer the tests?

**ANGELA LING:** Absolutely. We have-- we have some contracted staff to administer the tests and at the Lincoln and Omaha area because of such-- the-- the large need, and then we have staff across the state at different locations, hospitals.

**CLEMENTS:** Thank you.

**ANGELA LING:** Yeah, absolutely.

**STINNER:** So you heard the concern about DD and-- and certainly this committee has concern about it. Surely you can put together something with maybe Public Health. They contact Public Health. Public health--

**ANGELA LING:** Absolutely.

**STINNER:** --sends people to-- to their place--

**ANGELA LING:** Sure.

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**STINNER:** --rather than have them [INAUDIBLE]

**ANGELA LING:** That is a--

**STINNER:** --or anything else so--

**ANGELA LING:** Yep, that is a great idea. And since you commented on it, I would like to give you guys some examples of things that we have done to help with folks with disabilities. Citizens can register through the TestNebraska website. They can call the COVID hotline through DHHS and the folks on the hotline can complete the survey for them, or they can call even the Nebraska Accommodations Project hotline. They will also complete the assessment for them on the phone. We also offer on-site registration. If you're unable to drive to the site, you can walk up. A citizen can call ACCESSNebraska and they will provide transportation to the site. We have also sent-- I know there's a lot of conversation about this. The National Guard has sent numerous what we call strike teams to the long-term care facilities to provide that testing at-- in the early stages. We also-- TestNebraska did supply all of the supplies for baseline testing for long-term care facilities and assisted-living facilities and are providing a large amount of the supplies to meet CMS guidelines for all of the routine testing. We have tested at homeless shelters, psychiatric facilities, and correction facilities. Those conducting swabbing are all medically trained, and part of basic medical training is how to care for those with physical, mental and/or developmental disabilities, and it is often included in their annual training for facilities as well. ACCESSNebraska provides resources and referrals for the blind community and is accessible via a toll-free number. Guidance was made available to the Nebraska Commission for Blind and Visually Impaired and to the Nebraska Center for the Blind to ensure this population had access to information and resources. There is a state-sponsored language line that we can call at the site to get any language that we need. There are also Spanish-speaking nurses at the TestNebraska call center. We have also partnered with OneWorld in south Omaha and interpreters are on site all the time. Also, guidance documents and the website are-- were translation-- translated into several languages. The hard-of-hearing community can access COVID-19 information and resources in American Sign Language video format provided by DHHS.

**STINNER:** Thank you for that information. I will say this, that a lot of this vulnerable population, whether they be DD or otherwise, some of them are not located in Lincoln, in Omaha, but in rural Nebraska. It's harder to get to, harder to access this type of information, so

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I'd be sensitive to that. And a lot of times, I know on the DD side, generally, they have a guardian or somebody in some setting that can help them, but not all-- not in all cases, so--

**ANGELA LING:** Absolutely.

**STINNER:** --I-- I'd probably get with the DD people, try to figure out how can we accommodate you.

**ANGELA LING:** Yes, Senator, I think that's a great idea.

**STINNER:** I'm sure you have done that already, so I just needed to say it. Any other questions? Seeing none, thank you very much.

**ANGELA LING:** OK. Thank you for your time.

**CAVANAUGH:** Well, I have about two hours' worth of things to-- no, I'm kidding.

**STINNER:** You'll be here by yourself but--

**CAVANAUGH:** I know. I--

**STINNER:** I'm just kidding.

**CAVANAUGH:** I know you'll just leave me. Well, thank you again for being here today. I know it's no small thing for any of us, including our testifiers, to show up during this time. And so I appreciate everyone coming to the table and having this really important conversation. So back in May, I-- I-- I did send a letter to the Governor expressing my concern over this program and some of its shortfalls. And I'm-- I'm happy to hear from DAS or DHHS some of the things that they're doing to-- to address those concerns. I had requested some documentation on that. And the-- the items that Ms. Ling just outlined were not included in that documentation, so it's nice to know that they are making those changes and those updates. I still feel like there are some outstanding questions when it comes to this program. One of them, which is probably not as-- as critical to Appropriations, but as we are all still legislators, is the-- the data collection. And it has been stated that it cannot be sold, but it has not been stated that it cannot be used for product development for the company, which is one of the reasons that I was concerned that we didn't go with NeHII or at least engage NeHII in the conversations on the parameters around the data, because NeHII is the national gold standard for healthcare data collection and we are beyond lucky to have them here in Nebraska, so-- and-- and initially that data was not

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being shared with NeHII and it now is. And NeHII, for those who don't know, is the-- our repository for medical data here in the state and does a lot of work on research for social determinants of health. And as we are moving forward with-- with trying to address this pandemic and how-- how we're going to deploy ultimately a vaccination, that-- that data is going to be very critical. So I'm-- I'm happy that they have moved forward with giving them the data, but I still have concerns over the collection and I just want that stated. I also have a lot of documentation that myself and-- and Senator Hunt engaged with the DAS and DHHS over the months requesting various documents, and I'm happy to share them with the committee. They-- they're extensive, so I won't-- I-- if you'd like them, I'm happy to share them, but they are very extensive. But in those, there were a series of exchanges that expressed concerns from public health and medical providers across the state that were shared with the department over this program. And one that stood out and actually, the gentleman I called and spoke with, and he was also interviewed in the newspaper, was from Syracuse, Nebraska. And what he said to me was, we feel like we're competing with the state to get access to testing for our citizens. Because of how the program started out-- and it has evolved and I very much give credit to DAS and DHHS for evolving the program. But the way that the program started was not inclusive of the needs of our citizens-- and I think a lot of that could have been avoided if people had been brought to the table, if UNMC had been brought to the table when this contract, when this opportunity came to us as a state-- if we had brought our internationally known hospital on infectious disease to the table to discuss the logistics of it, and our public health departments and our federally qualified health departments, I think a lot of these missteps could have been addressed early on. And I bring this to your attention because this contract will end and we will need to know, are you going to renew this contract and what is that going to look like and how are these concerns that have been brought to light going to be addressed? So I am a real stickler for transparency in government. It's what I'm passionate about and might make me a bit of a thorn to some people. It's-- I'm not trying to be obstructionist at all. I-- I think-- I view the people that have testified today as public servants and I appreciate the work that they are doing and I appreciate them showing up and sharing that work with all of us. I think that there's still work to do, and I thank all of you for your time.

**STINNER:** Thank you. Questions? Senator Hilkemann.

**HILKEMANN:** Senator, do you feel better now than you did an hour and a half ago about this issue?

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**CAVANAUGH:** I feel better about some pieces, yes, I do. I've still-- there-- I still have concerns that I hope that they will continue to address, but I do feel better. I-- I will say I'm concerned that-- it concerns me that we have to have hearings like this in order to get to this-- this information. And that is not a reflection on the people that came in and testified today, but it-- it is a frustration to have to go through this very sort of intense process in order to get at-- at-- at this great information. And so, yes, my concerns are alleviated. I wish that we could have just had them brief the Legislature on these things regularly and we would have all been more informed and not have to take up this afternoon.

**HILKEMANN:** Just a comment I'll make, and-- and I've said this to other people, is-- is that our public officials that had to make decisions quickly on this and we had not dealt with this widespread of a pandemic since 1918, I guess, whatever else, and, you know, I-- I-- you put ten doctors in a room before a public official and you get-- and they're asking for questions and answers and coming up, you're probably going to have ten different answers.

**CAVANAUGH:** Right.

**HILKEMANN:** And as a public official, you will say, you know, about four or five of these people, I think-- I think I-- so-- so this is the route that I'm going to go. The other four or five go to ABC News and say it was the worst decision they could have made. And I-- and we've really made this-- this-- this has been a horrible disease, but the politics of this has been worse. And I-- and so I hope that, you know, that-- that-- I-- there are holes that happen.

**CAVANAUGH:** Yes.

**HILKEMANN:** I hope we can get those holes filled, and I thank you for bringing that to our attention.

**CAVANAUGH:** Thank you. I-- I agree. I think, again, I will reiterate, I'm-- I think that we have wonderful public servants in Mr. Carlson and Ms. Ling coming here today and answering those questions. That's not an easy thing to do. And-- and I very much appreciate them doing that. I think that it's always important to learn lessons, and I think there are lessons to learn from how this procurement happened and-- and what we can do better moving in the future. I-- I did talk to people at UNMC, I did talk to public health department heads, and they expressed similar concerns that they would have liked to have been engaged and were confused as to why they were not. And that-- that is

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only important-- I only belabor that point so that moving forward, that doesn't happen again. I don't think it's worth revisiting, like you did this wrong, like you said, going to the news and you did this wrong, you did this wrong. I think it's important to revisit it so that we learn those lessons and we do better next time. And I-- I think that the people that are working for our government have every intention to serve the citizens of this state.

**HILKEMANN:** Yep.

**CAVANAUGH:** And I-- I'm gracious and grateful to them for that.

**HILKEMANN:** Thank you.

**STINNER:** OK, thank you. Additional questions? Seeing none, thank you. For the record, there is Friends of Public Health in Nebraska and ACLU of Nebraska sent letters of support which will be on the record. Thank you.

**CAVANAUGH:** Oh, I did have the page pass out that federally qualified-- the HCAN letter. It's also with you, yeah.

**STINNER:** Thank you for that.

**CAVANAUGH:** Thank you.

**STINNER:** And with that, we are adjourned.