

STINNER: [00:00:00] Welcome to the Appropriations Committee hearing. My name is John Stinner. I'm from Gering and represent the 48 Legislative District. I serve as Chair of this committee. I'd like to start off by having members do self-introductions, starting with Senator Clements.

CLEMENTS: [00:00:18] I'm Rob Clements from Elmwood. I represent District 2: Cass County and parts of Sarpy and Otoe County.

McDONNELL: [00:00:25] Mike McDonnell, Legislative District 2 [SIC], south Omaha.

STINNER: [00:00:27] John Stinner, Legislative District 48, all of Scotts Bluff County.

CLEMENTS: [00:00:31] You said 2.

_____ : [00:00:32] You said 2.

McDONNELL: [00:00:32] I'm sorry, Legislative 5. Jeez. Legislative District 5. Sorry.

[LAUGHTER]

CLEMENTS: [00:00:33] You've taken my district.

McDONNELL: [00:00:38] I did.

DORN: [00:00:38] I thought you said 2. [INAUDIBLE].

VARGAS: [00:00:40] It's Thursday apparently.

McDONNELL: [00:00:42] I am moving into Senator Clements' district.

STINNER: [00:00:46] You know, it's been a long week.

WISHART: [00:00:48] Senator Anna Wishart, District 27, west Lincoln.

VARGAS: [00:00:54] Senator Tony Vargas, District 20-- I'm sorry, District 7, Omaha, downtown and south Omaha. [INAUDIBLE] purpose.

DORN: [00:01:00] Senator Myron Dorn, District 30, which is Gage County and the southeast fourth of Lancaster.

STINNER: [00:01:07] We have a few senators that are missing today. They are in hearings and one has already traveled home. Assisting the committee today is Brittany Bohlmeyer, our committee clerk. Our page today is Cadet Fowler. He is studying film studies at the University of Nebraska-Lincoln. We also have Liz Hruska here as our legislative an-- legis-- legislative analyst, our fiscal analyst. On the cabinet to your right you will find cream testify sheets. If you are planning on testifying today, please fill out a cream sign-in sheet and hand it to the page when you come up to testify. If you will not be testifying at the microphone but would want to go on the record as having a position on a bill being heard today, there are a white sheet-- sign-in sheets on the cabinet where you may leave your name and other pertinent information. These sign-in sheets will become exhibits in the permanent record at the end of today's hearings. To better facilitate today's

proceedings I ask that you abide by the following procedures. Please silence or turn off your cell phone. Order of testimony will be introducer, proponents, opponents, neutral, and closing. When we hear testimony regarding agencies, we'll first hear from the representative of the agency. We will then hear testimony for anybody who wishes to speak on the agency's budget request. We ask that when you come up to testify that you spell your first and last name for the record before testifying. Be concise. It is my request to limit your testimony. I'm going to start out at least at five minutes and we'll see how it goes from there. Written test-- written materials may be distributed to the 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 on-- so that the page can make copies for you. With that, we will begin today's hearing with Agency number 82, Commission for the Deaf and Hard of Hearing. Good afternoon.

JOHN WYVILL: [00:03:28] Good afternoon, Mr. Chairman. My name is John Wyvill. I'm the executive director of the Nebraska Commission for the Deaf and Hard of Hearing. My name is spelled J-o-h-n W-y-v-i-l-l, and I am testifying on behalf of my agency's budget and my nine-member board. And first of all, want to thank all members of the Appropriations Committee because of your past support of our agency and our mission, both in good times and in bad. So we greatly appreciate that. And many of you in this room have advocated for the commission in the past, so we are very grateful for your support and your continued support. Our agency has roughly a \$1 million budget and 15 employees, ranging all the way from Scottsbluff to Omaha. And many of you are familiar with the agency so I am not going to recite our mission and purpose but only to share with you that we come before this committee with only two requests in addition to the preliminary proposed budget recommendations of this committee. First of all is my standard request that I come before you every time is that if there's any money that is available at the end of the

fiscal year, that we do hope we find that you be so inclined to allow us to have the authority to carry over some of that money to use it into the next biennium. Second, we have made a request for \$100,000 for grant funds for HearU. Josh Sevier, an audiologist with the Barkley Center, will be in, coming up after me to testify for the specifics, but I just wanted to share with you historically why this was put in our budget here. We've had conversations with about the challenges and opportunities for hearing aid coverage for children throughout the state, and one of the challenges we have seen we discussed with Lieutenant Governor Foley and the administration about what the best options to funding. And based on that experience, Governor Foley recommended to the folks at the Barkley Center that the money be put here and then go over to them as in grant funding. Please keep in mind that recommendation, suggestion where to put it did not come with an endorsement that it carries the support of the administration. He was merely helping constituents advise what's the best way for that to be considered. And so with that, I did share with you one story. And almost embarrassed to be in front of you because we only have a million dollars in this budget. We represent but a nail in the grand scheme of the house. And I want to share with you a story that has been on the Internet and many of you have seen in legislative Chamber meeting, and it goes: For want of a nail, the shoe was lost. For want of a shoe, the horse was lost. For want of a horse, the rider was lost. For want of the rider, the message was lost. For want of the battle, the battle was lost. And for want of the battle, the kingdom was lost, all for the want of the nail. As you look at the multimillion dollars that you look throughout the state and this agency, please don't forget that one nail which represents Nebraska Commission for the Deaf and Hard of Hearing. And we understand the concept of shared sacrifices and the many hard challenges that you have before you. And I'd just open it up for any questions you may have.

STINNER: [00:07:26] Questions? Senator McDonnell.

McDONNELL: [00:07:27] Mr. Wyvill, thank you for being here. Have you taken a position on LB15?

JOHN WYVILL: [00:07:32] Yes, we have. LB15 is the hearing aid insurance for children legislation that requires insurance companies to provide hearing-- hearing aid insurance for the state.

McDONNELL: [00:07:45] Can you tell me based on the fiscal note is that-- is that accurate do you believe?

JOHN WYVILL: [00:07:53] No. We were a little bit surprised with the fiscal note we received. For the benefit of the senators here, the state of Nebraska does provide hearing aid insurance. One of the things that the administration has done, which is very progressive and not the norm throughout the agen-- throughout the state, is provide hearing aid coverage. Unfortunately, the university does not and their actuary from UnitedHealthcare has come back and said it would cost the university about roughly \$129,000 to provide hearing aid coverage on their policy. That was a surprise to us. As all of you know about fiscal notes, you prefer not to have a fiscal note. And so we are working with the university and Senator Mello to do that and hopefully, with this committee's help and urging, have UnitedHealthcare to come and take a closer look at the fiscal note just to see if we're on the same page with those assumptions.

McDONNELL: [00:08:52] Thank you.

JOHN WYVILL: [00:08:53] Thank you.

STINNER: [00:08:54] Additional questions? Senator Wishart.

WISHART: [00:08:56] Yes. I just-- I wanted to be really clear from you what are-- what the requests are then. So for us to-- to restore your agency operation request for the hearing aid coverage for children,--

JOHN WYVILL: [00:09:12] Yeah.

WISHART: [00:09:13] --the \$100,000, and for us to allow you to have your reappropriations, to use your reappropriations.

JOHN WYVILL: [00:09:19] Yes, if we have money left over,--

WISHART: [00:09:20] Yes.

JOHN WYVILL: [00:09:20] --we would love to have any of that. And we understand there's many different competing requests, and we also understand there might be a revenue forecast coming that might change the situation moving forward.

WISHART: [00:09:27] OK. And then you spoke to-- did you speak at all to the referral, an updated referral program?

JOHN WYVILL: [00:09:35] Yes. We are in the process of, with the help of this committee, we're in the process of upgrading our referral system. And previously we had thought that it was going to require a \$9,000 maintenance fee to continue the operations at the time we submitted the request to

the Legislature. We don't need that.

WISHART: [00:09:39] OK.

JOHN WYVILL: [00:09:39] We have made an adjustment and have changed from Nebraska Interactive back to the Office of CIO, and we don't anticipate that's the cost that we will need.

WISHART: [00:09:39] OK.

JOHN WYVILL: [00:10:19] So we don't--

WISHART: [00:10:20] OK.

JOHN WYVILL: [00:10:20] Obviously, if you give us money, we're not going to say no. But obviously, for want of other needs in the state, that's not a request that we have. And we will be sending out to this committee a letter formally notifying you that we withdraw that request.

WISHART: [00:10:33] OK. Great.

STINNER: [00:10:36] Just for the benefit of the committee, the \$100,000 is additional than what they have in their budget.

JOHN WYVILL: [00:10:44] Yes.

WISHART: [00:10:45] Yes.

JOHN WYVILL: [00:10:45] Additional funds.

STINNER: [00:10:45] Additional funds.

WISHART: [00:10:46] Yes.

STINNER: [00:10:46] Reappropriations, do you have a calculation on that? I know you've kind of indicated that maybe--

JOHN WYVILL: [00:10:53] I hate to estimate what would have but I would say it could be \$50,000. It could be, but will it be?

STINNER: [00:11:02] OK.

JOHN WYVILL: [00:11:02] That's based on today's present calculations. That's not counting, you know, the revenue forecast comes in and this committee is given the unenviable task of making adjustments within this fiscal year.

STINNER: [00:11:02] OK. Thank you for that. Any additional questions? Seeing none, thank you.

JOHN WYVILL: [00:11:32] OK Thank you, Mr. Chairman. And I will also waive my closing too.

STINNER: [00:11:38] OK. Very good. Any additional proponents? Afternoon.

JOSH SEVIER: [00:12:13] Afternoon. Well, all right. Chairman Stinner and members of the Appropriations Committee, my name is Josh Sevier. I represent the Nebraska Speech-Language and Hearing Association. I'm an audiologist with the University of Nebraska. And I've come here to support the request of funding for the HearU program for the Nebraska Commission for the Deaf and Hard of Hearing. Just want to give you guys a little facts about hearing loss and what the program of HearU actually does. It was started about ten years ago by Dr. Stacie Ray, who could not be here today. She's currently doing outreach in Guatemala. So I am filling in for her in that respect. But every day two out of three children, our newborn children, are born with some form of hearing loss. In Nebraska around 65 newborns are born every single year with a permanent hearing loss and some may acquire a hearing loss as they grow through adulthood. Research indicates that untreated hearing loss can cost nearly up to \$1 million over the course of a lifetime of individuals. In order to minimize the negative effect that it may have on language acquisition, cognition, and overall success in education, it's critical for a child to be fitted with amplification after the diagnosis. With that appropriate intervention, many of these children are able to go to a mainstream school or a secondary education and it ends up saving the school about \$420,000, on average, per child. Unfortunately, the cost of the hearing devices themselves is kind of elevated so many parents can't afford to do that themselves. The average cost of a pair of hearing aids for the kids are \$4,400 and they need to be replaced about four-- every four to five years. And additional costs may accrue when it comes to maintenance, batteries, adjustments, that sort of thing. For over, like I said, for over ten years HearU has supported many of the children in Nebraska by making earmolds, providing care kits, batteries, paying for the dispensing fees for the devices themselves, and also the hearing aids, and they have provided 705 hearing aids so far to over 400 children in 90 different communities across the state of Nebraska. So state support is definitely needed. And the Nebraska Speech-Language and Hearing Association is definitely in favor of supporting this additional appropriation for the budget for the Nebraska Commission for the Deaf and Hard of Hearing.

STINNER: [00:14:45] OK. Questions? Senator Wishart.

WISHART: [00:14:46] Well, first of all, thank you so much for being here, for the work you do.
So following up on Senator McDonnell's question about LB15,--

JOSH SEVIER: [00:14:54] Fifteen, uh-huh.

WISHART: [00:14:54] --so currently there are insurance providers who will not cover hearing aids?

JOSH SEVIER: [00:15:03] Nearly all of them actually. There are some cases where federal Blue Cross Blue Shield and some state program will have an allocation for hearing aid coverage. But the major-- all the private insurers, for the most part in this state of Nebraska, Blue Cross, UnitedHealthcare, all those, they are not required to cover hearing aids in any way and they don't. And Medicare does not cover them whatsoever either. So far these kids have been provided hearing aids, some of them that qualify for Medicaid do get them--

WISHART: [00:15:30] Good.

JOSH SEVIER: [00:15:30] --which is nice. But we have a lot of families that come through the HearU program that make just enough money that they don't qualify for Medicaid and they can't afford the premiums for insurance. So a lot of the people fall through the cracks in that gray area and they're not able to pay for those hearing aids.

WISHART: [00:15:45] So how-- how do these insurance companies, how can they argue that that is not a medical necessity?

JOSH SEVIER: [00:15:55] They see it as an elective. That's been a big issue across the U.S. We currently have 22 states in America that do now require that private insurers cover hearing aids, but they're still holding on. It's just an added expense and it does cause the premiums to go up a little bit, it really does, but we're averaging in the state of Nebraska premiums will only go up 65 cents. It is an estimate. But the actuarial study to actually do that was a little over \$10,000, so we couldn't really afford to do that and justify it if we're trying to struggle to pay for hearing aids. But if, a lot of the insurance companies, if they don't have to, they're not going to.

WISHART: [00:16:30] And then if-- if we were to pass only LB115 [SIC], do you anticipate we wouldn't see from the appropriations side as much pressure to fund this through-- through this program since it would be covered?

JOSH SEVIER: [00:16:45] Maybe not to the same extent.

WISHART: [00:16:46] OK.

JOSH SEVIER: [00:16:47] A lot of these folks, like I said earlier, are covered under Medicaid. And I do think Medicaid expansion will help some of these children, definitely. And then picking up, if LB15 is passed, I think that will help out a lot of kids also. But with a lot of those plans, they still have the higher deductible, so it's going to be hard for some of those families to be able to afford it. So paying or given the allocation to help the HearU program I think is going to help a ton of families across the state of Nebraska with their children. And these hearing aids, they are

expensive, like I said, but it ends up saving a ton for the state in special education cost over the course of there-- up to about 18. And it will help them with education and job prospects after they graduate from school.

WISHART: [00:17:23] Yeah, absolutely. Thank you.

JOSH SEVIER: [00:17:24] Uh-huh.

STINNER: [00:17:25] Senator Hilkemann, did you have a question?

HILKEMANN: [00:17:30] Yeah, I'm fine. Just fine. Thanks.

STINNER: [00:17:34] OK. You know doing the math on the \$100,000, it's like 20 kids are going to be served with a hearing aid. Does that kind of correlate to your computation, 20 to 25 kids?

JOSH SEVIER: [00:17:44] I would have to check on that, Senator. Like I said, I'm filling in for Dr. Ray, who does this program. I could definitely write back to you and get you that information though.

STINNER: [00:17:53] And we-- we really need to know what the demand for this--

JOSH SEVIER: [00:17:56] Understand, We'll--

STINNER: [00:17:56] --service is--

JOSH SEVIER: [00:17:57] For sure.

STINNER: [00:17:58] --so we can quantify some of that.

JOSH SEVIER: [00:17:59] I'll be more than happy to find that information out and e-mail it to you though.

STINNER: [00:18:02] When states have put in the insurance clause that says you have to cover hearing, is there any companies that quit offering insurance?

JOSH SEVIER: [00:18:11] I'm sorry, I missed part of the question. Sorry.

STINNER: [00:18:13] If-- if the-- the state could have put in this clause in LB15--

JOSH SEVIER: [00:18:17] Uh-huh.

STINNER: [00:18:17] --saying you have to cover hearing, have the states experienced any companies pulling out as far as insurance?

JOSH SEVIER: [00:18:27] Not for some things. They consider it pennies on the dollar, is what some of the insurance companies have said, but-- but they're-- every insurance company is going to tell you they're against any mandate for premiums. And honestly, if I was an executive for an insurance company, I would probably tell you the same thing because if you don't have to pay for something why should you? But at the same time, we have all these kids that are struggling and they end up falling through the cracks, and they end up costing the taxpayers a lot more for special

education services. And it would be kind of unfounded to not give these kids an opportunity to succeed.

STINNER: [00:19:01] That's-- that's hard for me to believe, but that's my own personal feelings because I think it's absolutely critical that kids that have this type of hearing loss have an opportunity to partake in hearing--

JOSH SEVIER: [00:19:17] One hundred percent.

STINNER: [00:19:18] --[INAUDIBLE] that. So--

WISHART: [00:19:23] Yeah. Oh, just one more question to add on to what Senator Stinner-- Senator Stinner was asking. Can we get some numbers from you on, so it's \$4,400 is the average cost of a hearing aid, just the-- the length that that hearing aid will last?

JOSH SEVIER: [00:19:38] Absolutely. So it's definitely not a one set from birth to 18, by any means. Usually the way it works is most of them have warranties to up-- for about three years anyway. They typically last five to six years on a single set. After that, they probably could be repaired to continue on, but most of the hearing aid companies stop carrying parts to repair them after about five years. So they have to be replaced because new models come out kind of like with computers and TVs as technology goes on.

WISHART: [00:20:06] OK. Thank you.

JOSH SEVIER: [00:20:07] Absolutely.

STINNER: [00:20:07] Senator Vargas.

VARGAS: [00:20:10] Thank you very much for being here. So is this a one-time expense or would this be an ongoing one, the \$100,000?

JOSH SEVIER: [00:20:19] Ideally, we would like it to be a recurring thing, but any help towards the HearU program, and if it ended up being a one-time expenditure, I think it would go a long way. A lot of the funding for HearU currently has been given by donations and they also receive a grant from Early Detection and Hearing Intervention every year. But it doesn't really cover all of the operating costs, and they've got to a point now where they may actually have to start turning kids away because they don't have enough funding to cover it. And that's why we're here today.

VARGAS: [00:20:43] I appreciate that. And it seems like that-- I guess I share Senator Stinner's concern. It's like we might be bearing the brunt of something that should ultimately actually be covered.

JOSH SEVIER: [00:20:57] Absolutely.

VARGAS: [00:20:57] And [INAUDIBLE] how many states currently cover this [INAUDIBLE].

JOSH SEVIER: [00:20:59] Twenty-two. And I believe, if I'm not mistaken, I found one-- somebody that testified on the LB15 hearing on Monday told me that two just passed it this year too. So we're up to 24, supposedly,--

VARGAS: [00:21:10] Got it.

JOSH SEVIER: [00:21:10] --but have not confirmed the other two.

VARGAS: [00:21:13] OK.

JOSH SEVIER: [00:21:13] Some of them can cover for both children and adults. There are three, if I'm not mistaken, that cover for children and adults for hearing aid coverage. And there are a couple that cover both hearing aids and cochlear implants within the U.S.

STINNER: [00:21:25] Senator Hilkemann.

HILKEMANN: [00:21:26] Yeah. Two, two questions: Number one is, is that the lifetime, you say about three to four years. Is that because of the technology or is it because of the changes in the ears?

JOSH SEVIER: [00:21:36] Senator, now with the digital hearing aids, if your hearing has changed over the course of a couple of years and you still have the digital hearing aids, they can be reprogrammed to whatever your current hearing loss level is at that point. So if there, for example, a child was given some hearing aids. We had a hearing test done the following year and their hearing had decreased just slightly, we could reprogram that hearing aid to accommodate for what that new level is. But they last about five to six years total because, like I said, the hearing aid companies just don't cover the part or carry the parts anymore to have them repaired at that point.

HILKEMANN: [00:22:15] OK. Thanks.

JOSH SEVIER: [00:22:17] Absolutely.

STINNER: [00:22:18] Any additional questions? Seeing none, thank you.

JOSH SEVIER: [00:22:22] Thank you so much.

STINNER: [00:22:30] Any--

KELLY RAUSCH: [00:22:35] Good afternoon.

STINNER: [00:22:36] Afternoon.

KELLY RAUSCH: [00:22:36] I'm Kelly Rausch, and it's K-e-l-l-y R-a-u-s-c-h. I am here to testify also for HearU. My daughter is 1 of the 400 children that has benefited from the HearU program. She was diagnosed at about nine months with hearing loss. She has hearing aids that were-- she's on her second set that HearU has provided her with. She goes in every six months or so for a new hearing test and she does get the reprogramming every time her hearing changes. When my husband and I found out about her hearing loss, her-- that she was hard of hearing and she would need hearing aids, it had not even crossed our mind that insurance wouldn't cover it. It was-- we were lost at that moment because this was a world that we did not understand. I'm-- I'm a hearing individual, our older son is, and my husband is. I-- I-- we needed to focus on how to understand how to help our daughter. It had not even crossed our mind that we were going to be shelling out \$5,000-plus for the testing, the-- the hearing aids, the earmolds, the checkups and everything because, like he said it was, it was elective. It's not medically necessary. However, by a coincidence, I was connected with

Dr. Stacie Ray with HearU. And she was fit with her first set of hearing aids. She is in kindergarten now. She's at school right now. She is speaking perfectly, which she wouldn't have been able to do. We didn't even realize that she couldn't hear until she was nine months and was tested, because she could read lips. She would understand what we were saying. She could read lips, but she would not have been able to speak. It would have been much more difficult. She would have had difficulty in school. She would have fallen behind her classmates. But now she is-- she is doing wonderfully. She's on her second set, as I said, and within the first year even not only the hearing aids were provided but the earmolds, the part that goes in and fits on the-- on the inside of the ear. She had to have gone through at least ten of those, probably-- mostly because she was growing. They have to be refitted because a baby is growing constantly and also because she was a baby and would tear them out. They'd get lost behind the car seats in the car or, you know, outside, wherever. So there-- there is a number of expenses that we were not prepared for which we would have found a way, but it was-- it was unimaginable that-- that the insurance companies and everything, they-- they would just-- they told us it was just not necessary.

STINNER: [00:26:05] Thank you. Have questions? Seeing none, thank you very much.

KELLY RAUSCH: [00:26:10] Thank you.

STINNER: [00:26:10] Any additional proponents? Seeing none, any opponents? Seeing none, anybody in the neutral capacity? Seeing none, that closes Agency 82's-- excuse me. Agency 82 had support letters: Hearing [SIC] U funding from, let me put my glasses on here so I can see, Ashlei Ricker; Janna Miller; Jennifer Hansen-Richmond; Rhonda Mundt; Amy Schwisow; David, Michelle, and Cameron Feit; Dana Watts; and Cathy Hollman. So that concludes our hearing of Agency 82, Commission on Deaf and Hard of Hearing. We'll now open the hearing on Agency 81,

Commission for the Blind and Visually Impaired. Good Afternoon. [1636.7]