



LB946 Proponent Testimony of Mike Bird, President & CEO, CRCC

February 21, 2024

Good afternoon Chairman Hansen and Members of the Health and Human Services Committee. My name is Mike Bird, for the record that is M-i-k-e- B-i-r-d. I am the President and CEO of Children's Respite Care Center or CRCC.

CRCC is a non-profit based in Omaha. We provide comprehensive educational, nursing, behavioral health, physical, occupational, and speech therapies for nearly 600 children with complex medical and developmental needs, as well as typically developing children, at two Omaha-based centers and metro area public school sites.

On behalf of CRCC, I want to thank Senator Day for bringing this bill and for her strong commitment to advancing sound early childhood policy. We respectfully ask that the committee support LB946.

At CRCC, we have the privilege of serving children with profound and persistent medical and developmental needs. In 2023, 119 children in our day health program presented a unique primary diagnoses. We are able to sustain our critical work thanks in part to a strong partnership with the State of Nebraska. Nearly 80% of the clients we serve utilize state assistance in the form of the Medicaid A&D Waiver, Comprehensive DD Waiver, and Child Care Subsidy. We are grateful for the opportunity to work with the state in service to our clients and families and I specifically want to thank DHHS for the 5-day billable absence allowance policy change. That said, attendance-only payment policies continue to act as a significant disincentive for providers to serve families receiving state subsidy. We base our staffing on

the approved hours for kids in this program. While we do everything we can to adjust staffing throughout the day based on attendance, our staff need as much consistency in their hours as possible or we will lose them. This situation is only heightened in the case of the medically and developmentally complex population we serve at CRCC. Approximately 30% of our day health clients receive state subsidy, and of those 70% are classified special needs. Given the complex needs of our kids, and by extension, the complex schedules of their parents and guardians, frequent absences from care are the norm. During the first 6 months of 2023 our average absentee rate for children receiving state subsidy assistance was 23% resulting in \$149,000 in lost revenue. And this number doesn't take into account sunk staff and operational costs. Further, attendance-only payment policies create a significant administrative burden and present staffing challenges that can disrupt continuity of care and education.

CRCC is proud to participate in the Child Care Subsidy Program and we are committed to continuing to serve families supported by the program. However, participation presents significant financial and operational challenges. And there is no question that the current attendance-based payment system acts as a disincentive to enrolling children with special needs. I respectfully ask this committee to take a hard look at LB946. I understand that it represents a significant investment on the part of the state but our most vulnerable kids deserve access to high quality and enriching care and we need their parents and guardians to be full participants in the workforce.

Thank you for the opportunity to testify. I'm happy to try to answer any questions.

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