PREPARED BY:	Sandy Sostad
DATE PREPARED:	February 13, 2013
PHONE:	471-0054

LB 384

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)

	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	$5,760		$5,760	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	$5,760		$5,760	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 384 is the Nebraska Exchange Transparency Act. The bill establishes a twelve member Nebraska Exchange Stakeholder Commission to provide oversight, recommendations and transparency regarding implementation and operation of an insurance exchange. The commission is to hold at least four meetings annually. Members are reimbursed for actual and necessary expenses. The commission may create technical and advisory groups as needed and must provide a written annual report. The commission is housed in the Department of Insurance (DOI) for budgetary purposes.

There will be increased expenditures by DOI to pay reimbursable expenses for commission members. The DOI estimate of $5,760 to pay expenses each fiscal year seems reasonable. It is assumed that any minimal operating expenses of the commission can be handled with the existing resources of DOI. It is also assumed the DOI Cash Fund will be used to fund the Commission because the bill deals with the supervision of the business of insurance.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 384	AM:	AGENCY/POLT. SUB: Dept. of Health and Human Services
REVIEWED BY: Gary Bush	DATE: February 14, 2013	PHONE: 471-4161
COMMENTS: Concur with DHHS estimate of fiscal impact to the agency.		

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 384	AM:	AGENCY/POLT. SUB: Dept. of Insurance
REVIEWED BY: Gary Bush	DATE: February 7, 2013	PHONE: 471-4161
COMMENTS: The Dept. of Insurance estimate of impact appears to be reasonable.		

Please complete ALL (5) blanks in the first three lines. **2013**

LB[1] 384 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) Nebraska Department of Insurance

Prepared by: (3) Eric Dunning Date Prepared: (4) 2-6-12 Phone: (5) 402-471-4650

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2013-14		FY 2014-15	
	EXPENDITURES	**REVENUE**	**EXPENDITURES**	**REVENUE**
GENERAL FUNDS	$5760		$5760	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	$5760		$5760	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

Members of the board are entitled to be reimbursed for their actual and necessary expenses as provided in Neb. Rev. Stat. § 81-1174 to 81-1177. The bill takes effect upon signature of the Governor. The bill requires nine appointed members, three ex officio members, and a minimum of four meetings a year. Assuming that one half of the members will be entitled to travel expense reimbursement of $120 per meeting in addition to reimbursement at the current mileage rate of 56.5 cents per mile, with an average of $200 per person, reimbursable board travel has been assumed at $5760 per year.

As no funding source is provided, it is assumed that General Fund appropriations would necessary to pay the expenses.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS 13-14	14-15	2013-14 EXPENDITURES	2014-15 EXPENDITURES
Benefits………………………………...……				
Operating…………………………...……….				
Travel………………………………………..			$5760	$5760
Capital outlay…………………...…………..				
Aid…………………………………………...				
Capital improvements……………………...				
TOTAL……………………………….….			$5760	$5760

LB(1) 384 FISCAL NOTE 2013

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Willard Bouwens | Date Prepared:(4) 2-13-13 | Phone: (5) 471-8072

	FY 2013-2014		FY 2014-2015	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	$0		$0	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

There is no fiscal impact to the Department of Health and Human Services for the Director of Medicaid and Long-Term Care and the Director of Children and Family Services or their designees to serve as ex-officio members of the Nebraska Exchange Stakeholder Commission. Those duties could be assumed by existing staff.

It is unclear whether the provisions that the Nebraska Exchange Stakeholder Commission "shall provide oversight and recommendations…" and "improve policies and processes on the exchange…." would affect Medicaid administration and policy.

Federal law requires the state to designate a single state agency to be solely responsible for Medicaid administration and policy. In Nebraska, that agency is DHHS. If an entity other than DHHS were to make Medicaid administration or policy decisions, that would violate federal law, and potentially jeopardize federal funding for Medicaid. Assuming that the Commission proposed in this bill will not have responsibility for the administration of the Medicaid program, there is no fiscal impact to DHHS.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS 13-14	NUMBER OF POSITIONS 14-15	2013-2014 EXPENDITURES	2014-2015 EXPENDITURES
Benefits				
Operating				
Travel				
Capital Outlay				
Aid				
Capital Improvements				
TOTAL			$0	$0