

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2015-16</b>		<b>FY 2016-17</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

This bill would require the Department of Health and Human Services to submit a state plan amendment to allow for payments for multisystemic therapy and functional family therapy for youth who are on probation, are living at home and are eligible for Medicaid.

The bill restricts the coverage of multisystemic and functional family therapies to children on probation. The restriction that these services apply to children on probation is not in compliance with federal regulations. The Centers for Medicare and Medicaid (CMS) is not likely to approve the plan amendment, so there would not be a fiscal impact.

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

**2015**

**LB<sup>(1)</sup> 500**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Supreme Court

Prepared by: <sup>(3)</sup> Eric Asboe Date Prepared: <sup>(4)</sup> 3/2/15 Phone: <sup>(5)</sup> 471-4138

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

**Explanation of Estimate:**

LB 500, as introduced, has no fiscal impact. However, if the application submitted by the Nebraska Department of Health and Human Services (DHHS) results in a state plan amendment, the Administrative Office of Probation (AOP) could receive funds for therapy which will be used to improve the outcomes of juvenile probation. It is has been estimated that the AOP could receive over \$2 million. If the AOP is required to provide the match for such funding the estimated impact is \$750,000 General Funds.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

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

Prepared by: (3) Mike Mason

Date Prepared:(4) 3-2-15

Phone: (5) 471-0676

	<u>FY 2015-2016</u>		<u>FY 2016-2017</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
<b>GENERAL FUNDS</b>				
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>				
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$0	\$0	\$0	\$0

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

**Explanation of Estimate:**

Due to the language of LB 500, there is no fiscal impact to the Nebraska Department of Health and Human Services (DHHS).

LB 500 requires the Nebraska Department of Health and Human Services to submit a Medicaid State Plan Amendment (SPA) to the Centers for Medicare and Medicaid (CMS) by July 1, 2015. The SPA would seek approval for Medicaid reimbursement of Multisystemic Therapy (MST) and Functional Family Therapy (FFT) for "youth who are on probation at home and are otherwise eligible for Medicaid."

As written, LB 500 would not be in compliance with CMS regulations requiring services covered under the State Plan to be provided to all Medicaid eligible children under 21 years old, when medically necessary. Limiting MST and FFT services to Medicaid eligible youth who are on probation at home, would not be allowable. Probation status would not be considered in a determination of medical necessity.

**MAJOR OBJECTS OF EXPENDITURE**

PERSONAL SERVICES:	NUMBER OF POSITIONS		2015-2016 EXPENDITURES	2016-2017 EXPENDITURES
	POSITION TITLE	15-16		
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
<b>TOTAL.....</b>			<b>\$0</b>	<b>\$0</b>