

Revised to account for passage of related legislation

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below		See Below	

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

This bill requires the Department of Health and Human Services to contract for a study of statewide access to long-term care. A status update is due to the Legislature by December 31, 2019 and a final report by December 31, 2020. The bill prohibits changes to long-term care services under Medicaid until the report is implemented. The Nursing Facility Penalty Cash Fund is to be used for the study costs.

Approval from the Centers for Medicare and Medicaid is required before the funds can be spent. LB 22 which signed into law on March 13, 2019, changed the use of the Nursing Facility Penalty Fund to mirror the federal law. Federal guidance states the funds may be used to support activities that protect or improve the quality of care or quality of life for residents. This may include any of the following:

- Assistance to support and protect residents of a facility that closes or is decertified;
- Time-limited expenses incurred in the process of relocating residents to home and community-based settings or another facility when a facility is closed or downsized pursuant to an agreement with the State Medicaid Agency;
- Projects that support resident and family councils and other consumer involvement in assuring quality care in facilities;
- Facility improvement initiatives such as joint training of facility staff and surveyors or technical assistance for facilities implementing quality assurance and performance improvement programs;
- Development and maintenance of temporary management or receivership capability. A temporary manager’s salary must be paid by the facility unless CMS stops or suspends payments to the facility under 42 CFR Part 489.55 during the temporary manager’s duty period, and CMS determines that extraordinary action is necessary to protect the residents until relocation efforts are successful; and
- Expenses incurred by a State related to CMP uses (i.e., administrative expenses related to administering, monitoring, and evaluating CMP projects).

The fund has a balance of \$578,000. The projected cost of the study is \$613,000 of which \$306,600 is the state match to the same amount of federal funds.

Technical Note: The bill appropriates the funding in FY 2020-21, however a status update on the study is due by December 31, 2019.