

PREPARED BY: Liz Hruska
 DATE PREPARED: February 13, 2018
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LB 922

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2018-19		FY 2019-20	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$2,414,148		\$2,814,437	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$2,414,148		\$2,814,437	

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

This bill establishes the All Kids Health Care Program, medical assistance program for children under the age of 19, regardless of immigration status with household incomes below 200% of the federal poverty limit. Coverage would be the same as the Medicaid Program. The Department of Health and Human Services would administer the program. State funds would be used if federal matching funds are not available.

Federal funds would not be available beyond current coverage for emergency care and prenatal care for unborn children. The Department estimates that approximately 1,250 children would qualify under the provisions of this bill. The cost of services would be \$2,025,000 in FY 2019 and \$2,700,000 in FY 20. A program specialist and social service worker. The cost would be \$97,828 in FY 19 and \$114,437 in FY 20. One-time IT costs would be \$291,320 in FY 19.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 922	AM:	AGENCY/POLT. SUB: Department of Health and Human Services (DHHS)
REVIEWED BY: Elton Larson	DATE: 1/26/18	PHONE: (402) 471-4173
COMMENTS: DHHS estimate of fiscal impact to the department appears reasonable.		

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 Michalski

Date Prepared: 1-11-18

Phone: (5) 471-5046

	<u>FY 2018-2019</u>		<u>FY 2019-2020</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$2,440,278		\$2,855,804	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$2,440,278	\$0	\$2,855,804	\$0

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

Explanation of Estimate:

LB922 would provide a health care coverage to all low-income children under the age of 19 with a family income equal to or less than (200%) of the federal poverty level (FPL) who would meet all other eligibility requirements under the Medicaid Assistance Program regardless of their immigration status and specifies the determination of nonresident status of a child would not be based solely upon their immigration status.

This new program for kids would be called “All Kids Health Care Program” which would be a separate program from the Medicaid Assistance Program, however it would need to provide same benefits and services to the greatest extent possible under the Medicaid Assistance Program and the program would be administered by the Department of Health and Human Services (DHHS). The benefits, services and program administration would need to be provided with state only funds (excluding certain emergency conditions and pregnancy, which are currently covered under Medicaid & CHIP).

Based on American Immigration Council survey, Nebraska is home to 56,293 women, 60,756 men, and 11,341 children who are immigrants. Out of which 38% of immigrants are undocumented, therefore, out of 11,341 immigrant children, about 4,310 are undocumented. Additionally, based on National Center for Children survey in Poverty, 29% of children of immigrant parents live in poor families. Therefore, it is assumed that on an annual basis 1,250 children (29% of 4,310) under age 19 would be eligible to receive services under this program. It is determined that DHHS will require an additional 2 full time employees (FTEs): a Social Services Worker to monitor additional caseload and a Program Specialist to develop and administer the program. In order to incorporate this program, an Information Technology (IT) changes will also be required to add the new category into the eligibility system.

Assuming implementation date as of 10/1/18, below is the breakdown of cost.

- An estimated total annual cost of serving 1,250 children would increase expenditures by \$2,025,000 General Funds (GF) in SFY 19 and \$2,700,000 (GF) in SFY 20.
- Additional staffing of (2) FTEs (1 Program Specialist, and 1 Social Services Worker) would increase cost for Program 033 by \$113,808 (GF) in SFY19 and \$151,744 (GF) in SFY20.
- IT system change cost to add new category into our systems would increase cost for Program 033 by \$291,320 (GF) in SFY 19
- There would be an initial onetime cost of \$10,150 (GF) to set an actuarially sound managed care rates in Program 033 in SFY 19 and then ongoing maintenance cost of \$4,060 (GF) in SFY20 and each year after.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2018-2019	2019-2020
	18-19	19-20	EXPENDITURES	EXPENDITURES
Social Services Worker	1	1	\$27,515	\$36,687
DHHS Program Specialist	1	1	\$35,128	\$46,837
Benefits.....			\$23,185	\$30,913
Operating.....			\$329,450	\$41,367
Travel.....				
Capital Outlay.....				
Aid.....			\$2,025,000	\$2,700,000
Capital Improvements.....				
TOTAL.....			\$2,440,278	\$2,855,804